

Ferry verdict clears way for prosecutions

Manslaughter charges to be considered by DPP

By David Sapsted

The Director of Public Prosecutions is to consider bringing manslaughter charges over the deaths of almost 200 people aboard the Herald of Free Enterprise after yesterday's verdict by the inquest jury that the victims of the Zeebrugge tragedy had been unlawfully killed.

Papers from the month-long inquest, Britain's biggest, will be sent automatically to the office of the DPP after the decision that the deaths on March 6 were a crime.

It took the jury of eight men and three women in Dover nine hours to reach the decision.

US shares hit by rate fears

By David Smith
Economics Correspondent

Interest rates on the New York money markets rose sharply last night, amid fears that the Federal Reserve Board has begun to tighten monetary policy.

The bond market fell, and yields on long-dated US government bonds rose to 9.85 per cent, the highest since December 1985. Interest rate worries also hit shares. In early afternoon trading, the Dow Jones industrial average was down by 42.59 points at 2,508.49.

On Tuesday, the Dow Jones fell by a record 91 points. The Wall Street sell-off hit share prices in London, which had been lifted by the prediction by the Chancellor of the Exchequer, Mr Nigel Lawson, of 4 per cent growth this year.

At the close, the FT-SE 100 share index was up by 15.7 points at 2,375.5, having been up by more than 27 points shortly after Mr Lawson's speech.

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IN PART 2

BP deadline

Potential investors in BP have until midnight tonight to register for priority application forms. Page 25

Wages rise

Average earnings have risen above £200 a week, but government figures show wide gaps between pay for men and women. Page 26

Cup show

Liverpool, at home to Everton in the Littlewoods Cup, are hoping to transmit the match live to screens at their opponents' ground. Page 47

Portfolio

● The £4,000 Portfolio Gold prize was shared yesterday by two readers. Details page 3.
● There is a further £4,000 to be won today. Portfolio list page 31

Bar results

Michaelmas Term Bar examination results are published today. Page 44

TIMES FOCUS

Is bureaucracy stifling worthy initiatives in pension fund management? A Special Report. Pages 32 to 39

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High winds and spirits at bracing Blackpool



Gale-force winds swept across Britain yesterday and storms lashed delegates (top) to the Conservative Party conference in Blackpool, including Mr Cecil Parkinson (bottom left), Mr Leon Brittan (bottom centre) and Mr Peter Walker (bottom right). Gales of 50 mph were recorded in many areas. Similar weather is expected today.

Moore pledges NHS reform

By Philip Webster, Chief Political Correspondent

Radical proposals to allow hospitals to make profits from beds and services provided to the private sector and to throw more health services open to competitive tendering are being considered by the Government.

Mr John Moore, Secretary of State for Social Services, in his much-heralded appearance before the Conservative conference in Blackpool yesterday, declared that there would be no "sacred cows" as the Government urgently sought more resources to meet the "insatiable" demands of the health service.

In a well-received speech designed to underline the Government's and his own commitment to the NHS, Mr Moore spoke of the "very tough choices" that lay ahead.

With the enthusiastic support of the Prime Minister, he has embarked on an ambitious drive to raise more

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income by encouraging competition and introducing much greater collaboration with the private sector.

He said he would not be "inhibited by dogma" and would explore all avenues to find more resources.

He is planning to extend the competitive tendering which already applies to hospital cleaning, catering and laundry, to a range of other services.

Although he cautiously declined to go into detail during the speech, government sources confirmed that tendering was being considered for support services such as pathology and radiology, and other areas including hospital portering, nurses homes, non-emergency ambulance services and building maintenance.

The proposals were swiftly attacked last night by the National Union of Public Employees. Mr Rodney Bickelstaff, the general secretary, said the plan would inject the "poison of privatization" into the heart of the health service.

Ms Harriet Harman, Labour's health spokeswoman, said that by "tangling up" commercial medicine and the public health service, Mr Moore was opting for the American system of more expensive and worse care.

Mr Moore told reporters after his speech that he was considering amending the

Continued on page 24, col 1

Guinness £3m theft charge

By Lawrence Lever and Stewart Tessler

Sir Jack Lyons, a central figure in the Guinness affair, was yesterday charged with stealing £3 million from Guinness. He faces nine charges altogether, including one of forgery, and was released on police bail to appear at Bow Street court this morning.

Sir Jack, who was knighted in 1973 for services to the arts, was arrested at 8am yesterday by Scotland Yard detectives.

He is the second person involved in Guinness to be arrested in the past fortnight. Last week, Mr Anthony Parnes, the stockbroker who arranged buyers for Guinness shares, was arrested.

Sir Jack, aged 71, was not expecting the police and no arrangement had been made for his arrest.

The charges relate to payments made by the former Guinness management after the takeover of Distillers last year. In addition to being charged with the theft of £3 million from Guinness, Sir Jack faces charges relating to the payment of £254,000 to an Austrian bank, Zentralparkasse und Kommerzbank, which was subsequently returned to Guinness. One of the charges is the theft of £254,000.

Sir Jack has admitted receiving a payment of more than £2 million from Guinness after the takeover of Distillers. The payment was made via a Swiss company, made via a Swiss company, Sir Jack said it was for "valuable advisory services" but has never publicly specified what these services were.

Another company, in which Sir Jack has a stake together with Mr Parnes, received £500,000. Sir Jack has also told Sir Norman Macfarlane, the Guinness chairman, that £750,000 of the money he received from Guinness was to purchase his luxury flat in Washington.

Thatcher puts off decision on the successor to Tebbit

By Philip Webster and Nicholas Wood

Mr Norman Tebbit will today deliver his last conference speech as chairman of the Conservative Party with the dispute over his successor still raging in the Tory high command.

Mrs Thatcher has decided to postpone a decision over the chairmanship until after the conference.

Opposition among the most senior ministers in the Government to Lord Young of Graffham adding the post to his existing responsibilities as Secretary of State for Trade and Industry appeared last night to have prevented an immediate announcement.

And Mr Tebbit is not expected to announce his departure today, as once thought likely.

Instead, he may stay on for the time being, allowing Lord Young, Mrs Thatcher's first choice for the job, to take over later on.

To add to the confusion, it is now clear that there are deep differences between Lord Young and Mr Tebbit over the projected reorganization of the party machine.

Lord Young has told his colleagues that he wants to stay on as head of the DTL. But Lord Whitelaw, the Deputy Prime Minister, and Mr John Wakeham, the Commons leader, are both understood to have advised against him holding both jobs.

Mr Tebbit is not keen on Lord Young replacing him and he sees his role as primarily political and not organizational.

But Lord Young is supported by Mrs Thatcher in believing that party headquarters needs root and branch reform.

A possible way out is the appointment of a caretaker minister to hold the fort until Lord Young's arrival.

One option being canvassed by ministers is a changeover in the spring with Mr Kenneth Clarke, Lord Young's number two, taking charge of the department.

Mrs Thatcher is said to be losing patience with Mr Tebbit. His resignation from the Cabinet just after the election took her unawares. She also believed she had his agreement to step down as party chairman after the conference.

Queen keeps out of talks on Fiji

By Andrew McEwen, Diplomatic Correspondent

Buckingham Palace yesterday took steps to distance the Queen from a potentially embarrassing approach by Fiji's most prestigious political figure, Ratu Sir Kamisese Mara.

The former Prime Minister of the Pacific islands is due to arrive in London this morning on a mission to urge the Queen to accept changes to Fiji's constitution.

The Palace said there were no plans for the Queen to see him, but that a meeting had been scheduled with her private secretary, Sir William Heseltine.

The arrangement protects her from appearing to consider controversial proposals that Ratu Mara is to make, which would guarantee permanent control for ethnic Fijians, although they are outnumbered by the descendants of Indians brought in by Britain during the colonial period.

It is unlikely that the Queen would allow herself to be seen endorsing the suppression of democracy. Commonwealth experts believe that to do so would undermine her stature as head of the Commonwealth and damage Britain's relations with India.

The timing is unusually sensitive. The Queen is about to leave for Canada for the Commonwealth Heads of Government Conference in Vancouver.

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The Queen has met Ratu Mara on most of her five visits to Fiji, where he was Prime Minister for 17 years, from independence from Britain in 1970 until Fiji's general election in April.

He is a conservative who enjoys wide respect among Pacific countries. He is also a tribal chief of considerable stature.

Runcie urges Hungerford to share its pain

By Howard Foster

The Archbishop of Canterbury told relatives of the Hungerford massacre victims to "share their hurt" at a memorial service held in the Berkshire town's main street last night.

Dr Robert Runcie told the congregation of several thousands that gathered for the open-air service: "What happened here on August 19 shocked this whole land."

Speaking only yards from where Michael Ryan shot many of his 15 victims dead and injured 17 others, Dr Runcie said: "Hungerford is typical of England as we like to think of it. A small country town, long in history, rich in community, beautiful in its surroundings. That such a place should, on a summer afternoon, erupt

in gunfire and terror, blood and death, was shocking to all of us."

The Archbishop told his audience, which included representatives of the Royal Family and the Prime Minister: "The violence which erupted here was random, indiscriminate, devoid of any comprehensible motive."

"A free society can never be completely safe. There are dangers in freedom and all of us live our lives exposed and vulnerable to some degree to the irrational actions of others. It is the unreasonableness that hurts, and to this hurt and pain we are exposed all through our lives."

"I am sure that in recent weeks this kind of pain has been felt and shared by virtually everybody in Hungerford. The community has been subjected to

an outrage which is the more painful for being so uncalculated for."

"The sharing of hurt is often the beginning of its healing. And what I've heard about the people of this town and your reaction to this tragedy convinces me that the healing process has already begun."

"I think of Susan Godfrey, the first victim, whose calm and measured response saved the lives of her children," Dr Runcie said. "They will grow knowing her story and so learning how closely love and sacrifice were linked."

"I think too of police constable Roger Breton, whose courage cost him his life, who knew that the community looked to him for its safety."

"And then there are those still with

us - Hazel Haslett and Linda Bright, for example, whose attention to the dying was so all-consuming that they feared not for their own lives. They two ambulance women, although fired upon by Ryan, continued to ferry the injured and dying to hospital throughout the afternoon of August 19 and returned to be on call for the rest of the night."

Addressing the victims' relatives, Dr Runcie said: "Every personal bereavement is unique. I offer you my sympathy and the sympathy of all whom I represent."

The Reverend David Salt, vicar of St Lawrence's, Hungerford, said he was sure that people were beginning to come to terms with what had happened, and that the service would help bring the community together again.



NEWS SUMMARY

New inquiry into Army bullying

Serious allegations of assault are to be heard at two courts martial involving four soldiers of the 1st Battalion, the King's Own Scottish Borderers (Our Defence Correspondent writes). Three weeks ago, two former members of the regiment were convicted of cruelty and indecency.

The four, who will be named by the Army in 10 days, will face courts martial on October 26 at a divisional headquarters at Verden, West Germany.

The Army's Special Investigations Branch (SIB) is continuing its widespread investigation into allegations of bullying in the regiment when it was stationed in Colchester, Essex, and further charges may follow.

The allegations — which originated with a complaint from a private in the regiment and the parents of a soldier — have been regarded so seriously by the Army that the former commanding officer, Lieutenant Colonel Robin Hulst, now seems unlikely to be given another command.

Airbus chosen

An order for five Airbus A340 jetliners worth about £243 million was yesterday placed by the Belgian national airline, Sabena.

Airbus, in which British aerospace has a 20 per cent stake, is fighting a cut-throat battle with the United States manufacturers, Boeing and McDonnell Douglas, for a slice of the huge potential market for the next generation of long range aircraft.

Eight airlines have placed 94 orders for Airbus.

Fire deal accepted

The national executive committee of the Fire Brigades Union yesterday unanimously accepted the peace formula agreed with West Glamorgan County Council which averted the possibility of a national strike.

The agreement accepts that the Home Secretary will decide whether the council may save £270,000 by shedding 48 jobs.

The 360 firemen dismissed after threatening strike action were reinstated.

Fines link to means

Lord Elwyn-Jones, former Lord Chancellor, is seeking a change in the law which would enable magistrates to take account of an accused's wealth when fixing his or her fine.

He is tabling an amendment to the Criminal Justice Bill which has the support of Lord Denning and senior judges so that magistrates could have the right to impose fines according to a defendant's means. At present magistrates are required to take into account a defendant's poverty when fixing the fine but not his affluence.

BBC staff bid fails

Mr Trevor McDonald, one of ITN's best known newscasters, has turned down a job offer from the BBC, it was disclosed yesterday.

Instead he will join Fiona Armstrong in presenting ITN's new look weekend programmes, and keep his present job as diplomatic editor for Channel Four news.

The announcement ends speculation that Mr McDonald was about to become the latest ITN star to move to the BBC after the departure of Martyn Lewis and Pam Armstrong.

£73m claim frozen

Government moves to recoup £73 million lost in the DeLorean affair were frozen by a High Court judge yesterday, pending a decision on whether a parallel action can proceed in America.

In 1985 the Department of Economic Development in Northern Ireland instituted both actions, seeking to recover the money from Arthur Andersen & Co, DeLorean's former accountants.

Mr Justice Styn, at the Commercial Court in London, granted an application for a "stay" of the action in England — a back-up should the New York court decline jurisdiction.

The application, on behalf of the department, was opposed by Arthur Andersen & Co, who were given leave to appeal.

Australian Spencers to return

By Sarah Jane Checkland
Art Market Correspondent

Three works by Stanley Spencer, transported to Australia shortly after they were finished in 1954, are to return to Britain for auction at Sotheby's on November 11. The most important, "Punts Meeting", is expected to fetch a record price for the visionary English artist who spent much of his life at the village of Cookham on the Thames.

The first (right) is a self-portrait, with the artist looking out quizzically as if from a cramped space (estimate £35,000-£50,000). Next comes a drawing of himself and his wife, Hilda. But it is "Punts Meeting" which commands the highest estimate of £200,000 to £300,000.

SALEROOM

bitious series of regatta scenes, but it was the only one completed.

The works come from the collection of Mr and Mrs F W McGregor, who are sheep farmers from Adelaide, and are being sold by their son. It seems likely they discovered Spencer through another col-

lecting family called Hayward. Both families bought works by the artist from Arthur Tooth and Sons, and, it is assumed, visited Spencer at his Cookham home. Several other English artists, such as Laura Knight and Matthew Smith, will also be offered from the McGregor collection.

Miss Susie Pollen, of Sotheby's, said: "Punts Meeting is in perfect condition; all three paintings have never been seen by the public here".

There were many public and private museums interested in Spencer, she added. The Tate Gallery would say nothing yesterday although it is possible the gallery might try to buy it for the projected Tate of the North.

Meanwhile, the market was



Phillips, judged them as genuine, early examples of "His and Hers" wear.

Another high price for an item with romantic associations was £18,150 for a pair of clips and a letter, given by the Duke and Duchess of Windsor to Miss Anne Scragim, the Duke's private secretary.

Trusts to tackle worst housing

By Christopher Warman
Property Correspondent

The housing action trusts proposed in a government White Paper will have wide-ranging powers to deal with the large concentrations of run-down council housing in England and Wales, a consultative document published yesterday emphasises.

It also suggests that rents are likely to rise once the trusts have improved the areas.

The trusts will take responsibility for all local authority housing in designated areas beset with social, economic and environmental problems.

The areas might also include some privately owned homes if they naturally form part of the local community.

The trusts' main task will be to renovate properties, improve the areas, and then hand them over to other owners and managers, including housing associations, private landlords and tenants' co-operatives.

The document says the trusts will be able to offer tenants improved service as a result of more efficient tenant-centred management.

In many cases, it adds, unsatisfactory living conditions are associated with rents which are too low to maintain the property in reasonable order.

"Once HATs have put such properties right, the cycle of decline must not be allowed to happen again. Rents may have to rise to allow the improvements to be maintained."

The Government will normally identify areas for possible designation to action trusts in consultation with the local authorities concerned, but the document says it is open to councils to propose areas which they consider would benefit from the HAT approach.

The Government is committed to establishing a pilot programme of a "modest" number of schemes.

The Department of the Environment is asking for comments on the housing trust proposals by November 6.

Liverpool church leaders warn of 'debt time bomb'

By Ian Smith

The spectre of a Labour council permanently locked in confrontation with the Government while its city plunges into bankruptcy loomed large in Liverpool last night.

Church leaders are convinced that the city is teetering on the brink of political and financial collapse in the wake of the abrupt resignation of Mr Harry Rimmer as leader of the council.

And, as 51 members of the controlling Labour group met last night to appoint Mr Rimmer's successor, the Rt Rev David Sheppard, Bishop of Liverpool, spoke of the city's £800 million debt ticking away like a time bomb.

He also joined other leading churchmen on Merseyside in urging the Government to reopen negotiations with the city council. It was apparently unwilling to accept that a climate needed to be created in which sensible policies could be developed.

Mr Rimmer, who for five months has tried to re-establish a working relationship with government ministers, believes the negotiating bridges he built were demolished by the decision on Monday night by 42 votes to six not to allow him to ask the

Government to redetermine the rates.

He had hoped that an adjustment of the rates would add an additional £13 million to the £307 million earmarked for the city.

For several hours he argued with colleagues that his meeting with Mr Nicholas Ridley, Secretary of State for the Environment, had demonstrated a renewed of government trust in a city with which it broke off relationships three years ago when the Militant Tendency took control.

Mr Ridley said at the meeting in London on August 4 that he was not a vindictive man and would not penalize Liverpool for past mistakes.

But Labour councillors do not trust the minister they regard as a hard-line right-wing member of the Cabinet, and they refused to believe that the city would not be ordered to sack council staff and raise rents, in return for an adjustment of the rates.

"I tried desperately hard to convince my colleagues that a new era of trust had been established," Mr Rimmer said. "The last thing I wanted was to be forced into a corner like the last administration in Liverpool, and see the Labour group literally torn apart."

"Certainly, the future looks ominous, and I do fear we may soon find ourselves in precisely the same situation as we faced when the council and government were at logger-

heads, with neither side willing to give an inch."

Mr Rimmer said he would retain his seat on the city council and continue to urge moderation in trying to build an improved relationship with the Government. But prospects of achieving that, he added, were now less likely.

Church leaders also view with alarm the resignation of a councillor they describe as "moderate and courageous". They fear that the crisis will grow worse if Mr Michael Reddington resigns as chief executive. He was council treasurer during the Militant era.

Yesterday, Mr Reddington declined to comment on rumours about his resignation.

But Dr Sheppard urged the Labour group to accept job cuts and rent increases, however untenable, to avert financial chaos. He believed that people in Liverpool would understand if councillors made tough decisions, and was convinced many would be prepared to relinquish their jobs in the long-term interests of their city.

He said it was important that the city's future be protected.



Mr Harry Rimmer, the former leader of Liverpool city council, after his resignation: "The future looks ominous".

New jets raise fear of pilot fatigue

By Harvey Elliott
Air Correspondent

Ways to combat pilot fatigue and boredom are being urgently studied by world airlines and air safety authorities.

The new generation of Airbus, Boeing and McDonnell Douglas jets will be able to fly non-stop for up to 17 hours, far longer than crews are now allowed to stay on duty.

There are, though, no international standards for duty time, and there are growing fears that pilots could become the weakest link in air safety.

In Britain, the problem is being studied by the Civil Aviation Authority through its operational advisory committee. Stories about pilots dropping off on the flight deck have been largely discounted by the group as isolated incidents.

Research by NASA, in the United States, showed that on short haul flights crews improved efficiency as they became tired because they had learnt to work together as a fully integrated team.

However, there is concern about the soporific effect of the longest passenger flights, especially at night when pilots can be lulled to sleep by the cosy atmosphere on the quiet flight deck and the flickering enroute ray tubes that can have the same effect as watching television late at night in a darkened room.

Manufacturers of the new jetliners claim they are so efficient that if necessary they could be operated by one man with the co-pilot acting solely as a monitor. All airlines, however, will fly with two qualified pilots in the cockpit and some, under pressure from pilot unions, will have a third on the flight deck.

It is likely that before the new jets begin regular operations in the next two years international standards will have been set. These will probably state that two men can fly for up to eight hours at a stretch, that three men must be carried for a 12-hour flight and that two two-man crews must be on board for flights longer than that.

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Technology grants

Firms urged to take up cash

By Pearce Wright

Small and medium-size companies were urged yesterday to take up grants from the EEC to develop new technologies.

Mr Robert Sheaf, of the European Commission's Institute of European Trade and Technology, said in London that the European collaborative programmes for research and development were not the only key to progress. Some work was best done on a small, local scale.

He was speaking at the first meeting on how to get access to EEC research and development grants since agreement was finally reached on Britain's contribution to the European Framework programme for research and development. The UK Government had refused to join the 11 other countries in a plan covering

1987-1991 for research that would cost more than £4,000 million.

The dispute has now been settled and the European Commission is inviting industry and universities to collaborate under a number of different schemes. The first discussed yesterday is called the Bright programme, Basic Research in Industrial Technologies for Europe.

Projects eligible for grants may not yet be related to specific marketable products or processes but they should pursue clear commercial objectives.

Inviting applications for grants, Dr Van Der Eijk, head of the Bright programme, said the scheme had more than £200 million available.

Mr Enzo Millich, principal administrator of a second programme, on energy technology, said he was particularly anxious for smaller companies to join in an area of work which had so far been dominated by the large firms.

However, unlike some of the other help in research and development, the grants would have to be repaid if the product or process was sold successfully later on the market.

In spite of the exhortation to small firms, acquiring a grant poses some formidable bureaucratic problems.

For example, Mr Millich said that under the energy scheme they required 45 copies of the applications for proposals. The decisions would take about six months to assess.

Rift widens between rival printing unions

By Tim Jones

Deep divisions are emerging between Sogat and the National Graphical Association which could wreck plans for the two unions to merge into a "super union" for the printing industry.

Miss Brenda Dean, general secretary of Sogat, has warned her 199,000 members that the hopes of merger may prove to be "a bridge too far unless there really is mutual good faith" between the negotiators.

Delicate negotiations between the two sides have already been soured by the decision of NGA to press ahead with a complaint to a TUC's disputes committee after Sogat's success in recruit-

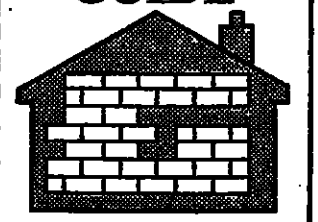
ing in three local newspaper companies.

Sogat officials are deeply unhappy that in the midst of the talks, the NGA has already made it clear that if the amalgamation is not possible, "other alternatives may have to be considered".

Writing in her union journal, Miss Dean, referring to the NGA, says: "If talks, whether formally or informally, are going on in parallel elsewhere it does not augur well".

NGA officials are considering transforming their traditional craft union into a "new technology, private industry based, skilled union".

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£2bn cost of drink problems sparks Government action

By David Cross

Action to combat the £2 billion a year problem of alcoholism will be on the agenda of a new ministerial group due to meet soon for the first time.

The group, set up last month by Mr Douglas Hurd, the Home Secretary, along the lines of the ministerial group on drug abuse, is headed by Mr John Wakeham, Leader of the House of Commons.

It will be working out a co-ordinated strategy to tackle a problem which is now the country's third biggest health hazard, after heart disease and cancer, and claims up to 40,000 lives a year.

A regional survey carried out by the Press Association discloses that despite the countless accidents and personal misery caused by overdrinking, the health service could barely cope with the rising demand for treatment at the few available detoxification centres. Laws against under-age drinking and drinking and driving were not enforced; only 13 per cent of drivers involved in accidents were breathalyzed; and most companies had not yet formulated an alcoholism policy to help staff with a drinking problem.

Sales of alcoholic drinks have doubled over the past 30 years and now bring in taxes worth £6,000 million.

Although Britons still drink less alcohol than many other countries, experts are particularly worried that more and more teenagers and women are drinking dangerously.

Alcohol abuse agencies are also concerned that advertisers have recently been projecting the image of a woman drinker as being successful, liberated and glamorous. The truth, they claim, is that women frequently drink

because they are unconfident, unhappy, lonely and have little support. They warn that women's bodies are more easily damaged by drink than men's.

The costs to society are enormous. It is reckoned that a violent crime is committed every eight minutes by people who have been drinking.

Dr Bruce Ritson, a member of the Royal College of Psychiatrists' alcohol working party, criticizing the Government's plans to extend licensing hours, said that he wondered why the law was being liberalized when there was good evidence that the existing laws, for example on underage drinking, were poorly enforced.

Dr John Havard, secretary of the British Medical Association, said even existing drink-drive laws were not enforced properly. He said: "Unfortunately the risk of being caught at current levels of enforcement is remote, and is known to be so by those who regularly drink and drive without being caught."

The Press Association survey showed in London the number of problem drinkers has trebled over the past 25 years, to 750,000 with many in their twenties and thirties. Dr David Marjot, consultant psychiatrist at St Bernard's Hospital, Ealing, said that despite this the number of beds for in-patients was falling.

Police in Devon and Cornwall are mounting campaigns aimed at curbing under-age drinking. Children as young as 11 regularly buy alcohol from off-licences and supermarkets while others take their homework to the pub.

A recent survey by Exeter University's Health Education Unit found that one in

five boys aged 14 questioned drank up to ten pints of beer a week or 20 glasses of wine or spirits, and that half the children aged 11 questioned drank some alcohol each week.

The Ministerial alcohol abuse group is expected to study plans for a drink-free zone in Coventry, West Midlands, where 12 per cent of men and 2 per cent of women are estimated to be drinking at levels harmful to their health. The city council, magistrates and the police all want to ban drinking in the open air in the city centre.

Mrs Margaret Jayson, executive director of the Merseyside, Lancashire and Cheshire Council on Alcoholism, said that alcoholism among young people was often a symptom of underlying causes such as unemployment.

She believes sporting figures and celebrities they look up to should actively encourage a non-drinking lifestyle.

The North-west has one of the highest levels of alcohol consumption in Britain, 25 per cent above the national average.

Mrs Liz Smith, director of the Greater Manchester and Lancashire Regional Council on Alcohol, said: "The major problem today is not drugs and it is not AIDS. It is alcohol abuse."

Mr Peter Rostadt, director of the North-East Council on Addictions said that the reason for heavy drinking in the region — the average male downs 13 pints of beer a week — was tradition. He said: "The teenagers drinking heavily now are following the practice of their parents."

He feels that the best answer to the problem would be much higher drink prices, with a majority of the profits being used to finance health education, improved training and better services. "The Government has a moral obligation to do this."

Scots spend £3.5 million a day on alcohol, more than they spend on clothes, cars or maintaining their houses. Around 150,000 Scots, one in 20 men and at least one in 100 women, have serious drink problems.

According to Scottish alcohol abuse experts, the Scots drink no more than the English or Welsh. Scotland has a higher rate of cirrhosis of the liver and more than double the English rate for alcohol-related deaths.

A Welshman drinking three pints a night would spend £208 a year less than his London counterpart, because of cheaper beer prices.

However, the social and economic cost of the drink problem in Wales is put at about £100 million a year, or £300,000 every day.

Services in Wales for problem drinkers are among the poorest in Britain and quite inadequate, according to Mr Robin Burton, co-ordinator of Alcohol Concern Wales.

More than 1.1 million motorists in England and Wales have been found guilty of drink driving since the breath test was introduced 20 years ago today.

Racetrack heroine rewarded



The jockey Carroll Gray embraces Mrs Jodie Timms, the nurse who put her life at risk by going to his aid when he fell during a race at Stratford-upon-Avon. Mrs Timms's bravery has been recognized by the award of the gold medal of the St John Ambulance Brigade, which is bestowed only when rescuers endanger their lives by their actions. The last was awarded 15 years ago. Mrs Timms was

presented with the medal by the Lord Prior of the Order of St John, Lord Cathcart, at a ceremony at the Grand Priory Church, Clerkenwell, London, yesterday. Mrs Timms, of Tiddington near Stratford, a member of the brigade for eight years, was on duty during the races at Stratford in March when Mr Gray fell at a ditch fence during the first circuit of a race. She ran to his aid and di-

agnosed a suspected neck injury and broken arm. After radiating for an ambulance and doctor, she refused to move or leave him, shielding him behind the fence as riders jumped the second circuit. She was brushed by a falling horse as she protected the injured rider. Mr Gray, who was partly paralysed, later made a full recovery.

(Photograph: Alan Weller)

Portfolio Gold

New piano for a winner

A retired independent television programme planner and a legal secretary share the Portfolio Gold competition prize of £4,000.

Miss Joan Green, of Maddoxford Lane, Botley, Southampton, who retired from television four years ago, plans to spend some of her windfall on replacing her old piano.

Mrs Diane Webbon, aged 31, a legal secretary, of Ravenslea Road, Balham, south west London, said she would spend the money on a holiday.

Both women have been playing the competition since it started. Readers can obtain a Portfolio Gold card by sending a stamped addressed envelope to:

Portfolio Gold,
The Times,
PO Box 40,
Blackburn,
BB1 6AJ.

BbJude for trial in drug case

A Pakistani judge accused of trying to smuggle more than £350,000 of heroin into Britain was remanded in custody for trial at Isleworth Crown Court by Uxbridge magistrates yesterday.

Mr Syed Moazzam Japhi Iqbal, aged 38, who was staying at Heybridge Avenue, Streatham, south-west London, is alleged to have tried to smuggle the drug through Heathrow on August 23.

The holy spirit of enterprise

By Clifford Longley
Religious Affairs
Correspondent

A vicar who handed out five pound notes to his congregation last winter has proved that the Parable of the Talents actually works. For an investment of £260 he has received back more than £4,000 for the repair of his fourteenth century church roof.

The Rev Trevor Farmiloe and his congregation at St Philip and St James, in Norton St Philip, Wiltshire, celebrated the success of their biblically-based private enterprise at their harvest festival last Sunday. He said yesterday that money was still coming in, although the profit ratio of the scheme was already fifteen-fold.

It is the New Testament story (Matthew 25:14) which gives the word talent to the English language. A king entrusted his servants with his "talents" — the local currency — and left them to their own devices. Two servants traded with their share and doubled their capital; one buried it in a hole in the ground. The first two were praised for being "good and faithful servants", while the "wicked and slothful servant" was reprimanded for not investing it.

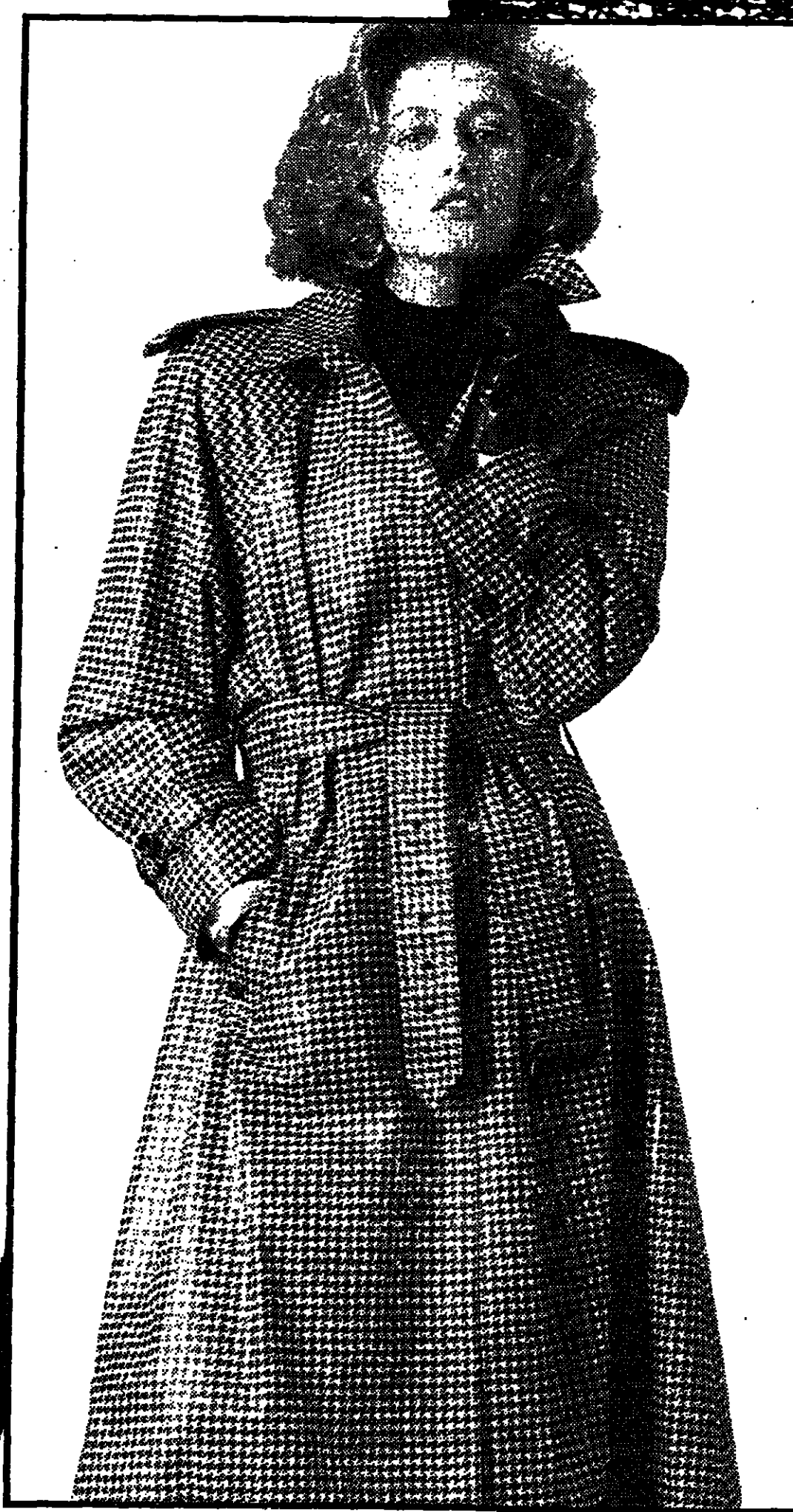
Last February Mr Farmiloe, a former insurance salesman, handed out new five pound notes during his service, requesting the congregation to apply their talents to money raising by whatever means they thought fit (except by putting it all on a horse).

In the spirit of enterprise, Mr Farmiloe even sold the text of one of his sermons to a parishioner for £15, and his wife and other womenfolk knitted industriously. Some organized coffee mornings, others barbecues. Small businesses appeared and flourished.

It soon extended beyond the original 52, and some later participants did not wait to be given 5s. There was even a feeling of competitiveness among the 800 villagers.

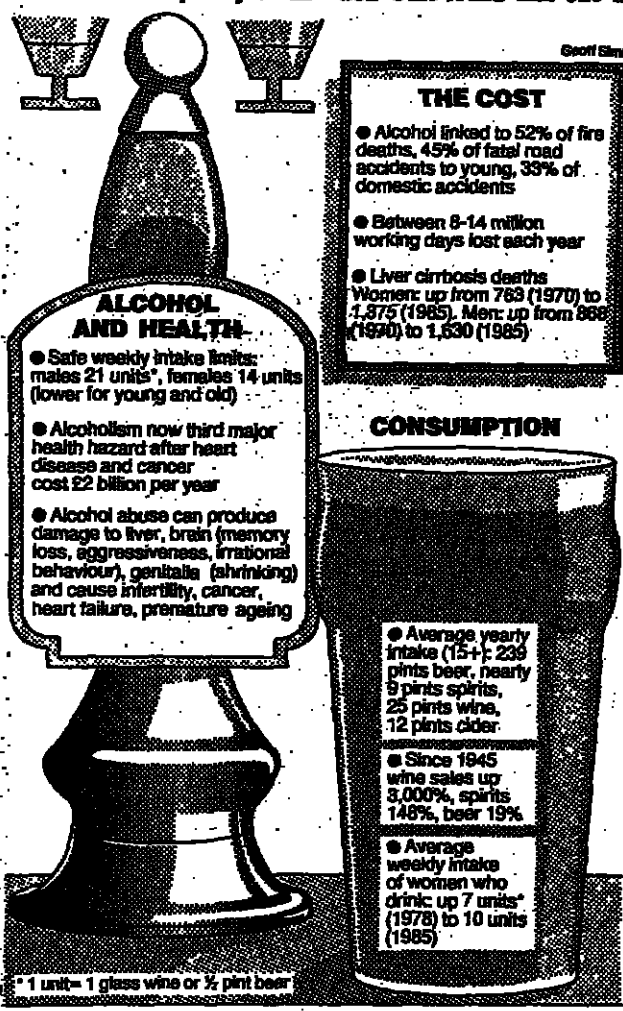
Mr Farmiloe said yesterday: "Some of the businesses have proved so successful that they will probably carry on long after we need the money. There should be no reason why we cannot have a little capitalism in religion."

Aquascutum LONDON



Aquascutum present a rainy day classic from their autumn collection. This pure cotton chintz trenchcoat in attractive dogtooth check is fully lined and has a storm tab collar. The price is £425. Aquascutum is available at many fine stores, ring 01-200 0200 quoting "Brookmead" for further details.

Aquascutum, 100 Regent Street, London W1. 01-734 6090.



Fordingbridge murder trial

Witness tells of guns panic

By Michael Horsnell

The morning after the discovery of the Burgate House killings, Mr George Stephenson, the handyman accused of murdering five people, saw his picture on a television news bulletin as a wanted man.

He rushed upstairs at 8am to wake one of his alleged accomplices and later the two men disposed of guns they are accused of stealing from the house, Winchester Crown Court was told yesterday.

Then, it was alleged, he shaved off his beard and moustache before heading south to Hampshire, where he said he was going to give himself up to prove his innocence.

Evidence of Mr Stephenson's reactions after the

killings was given by Mrs Ruth Smith, the girl friend of Mr George Daly, aged 25, who is also accused of murder.

Mrs Smith told the court that Mr Stephenson, aged 35, had been staying at her home in Coventry with Mr George Daly.

She said that on September 3 last year, she asked Mr Stephenson what was going on.

"He replied that his picture had been on the TV and that five people had been murdered and said: 'They think it's me. He said he worked there at Burgate House and they thought it was him, but he said: 'I haven't done it.'"

Later that day, a large dustbin liner was taken out of

the house in Elgar Road, Coventry, which Mrs Smith assumed from the shape contained firearms allegedly stolen from Burgate House on September 1.

She said her friend, Miss Paula Harrison, who was with her at the house, told Mr Stephenson: "You are a vicious, dangerous man". But he again denied complicity in the murders.

Mr Stephenson, Mr George Daly and his brother, Mr John Daly, aged 21, deny the murders and robbery. Mr Stephenson and Mr George Daly also deny raping Mrs Wendy Cleaver. Mr John Daly pleaded guilty to rape.

The trial continues today.

The Duke who would be 'king' again

By Alan Hamilton

The Duke of Windsor, after his abdication, could not come to terms with his exile and was constantly on the telephone to his brother who succeeded him, telling him what to do, according to a biography of King George VI to be published later this month.

Even after the King ordered him to cease his pestering, the Duke continued to imagine that he had an important role in world affairs. In an interview with the *Daily Herald* in 1937, which was suppressed at the time and was never published, the Duke said that if a Labour government ever came to power and wished to abolish the monarchy, he would be ready to accept the post of president of a British republic.

The Duke also entertained seriously a proposal from friends, with fascist sympathies that he should be the figurehead of an international organization dedicated to "world peace through labour reconciliation".

King George, who became thoroughly irritated by his brother's behaviour, wrote in 1942 to Lord Halifax, then the British Ambassador to the United States, saying: "I am so glad you were able to have a talk with my brother when he was in Washington. The real fact of the matter, which he does not realize, is that having occupied the throne of this country he can never live in this country as an ordinary citizen. We know this, so does Winston (Churchill), but we can never tell my brother so."

When the Duke took upon himself the role of roving ambassador around Europe in the years immediately before the war, he caused widespread embarrassment.

Even Nazi Germany was not impressed. The Foreign Office received a report of the Windsors' visit to the Third Reich in 1937. "The visit of the Duke of Windsor seems to have made a bad impression. His entire journey and expenses were paid by the German Labour Front. He was always with Dr Ley (head of the front) who is always drunk and of second rate importance to the Nazis."

Mr Patrick Howarth, the author of *George VI* to be published on October 22, found much new material in the Public Record Office.

The biography discloses that King George VI was active behind the scenes in contacts with other European royal families in an effort to prevent the outbreak of war. But secret contacts between George VI and King Leopold of the Belgians, Queen Wilhelmina of The Netherlands, and King Gustav of Sweden proved fruitless.

In spite of those setbacks George VI, described by Mr Howarth as a much-neglected monarch, emerges as a heroic figure. "He, more than any of the monarchs who preceded him, caused his people — certainly in the United Kingdom — to love him. They began by pitying him and fearing for him. They came before long to respect him."

CONSERVATIVE PARTY CONFERENCE

NHS and private health 'must work together'

Co-operation between the public and private sectors of the health service should increase, Mr John Moore, Secretary of State for Social Services, said at the end of the health debate.

He said that the Government would not be inhibited by dogma in pursuit of better health care for all. They would consider anything to help to achieve that.

He added that a speaker had raised the spectre of the Government's reneging on its commitment to the basic state pension, but he told delegates to applause, "the future of the basic state pension is not in question".

The debate was marked by sharp attacks on the Government's attitude to nurses' pay, a plea to the Government not to end state enrolled nurse training, and suggestions, by different speakers, that national insurance should be ended, and a swinging tax be imposed on tobacco.

Mr Moore said that the Government was unshakably committed to the vision of the health service. "We are committed to the health service in principle and we are committed to it in practice."

Although the National Health Service had more money, doctors, nurses, and equipment were more than enough. Change of the most obvious and necessary kind was greeted with howls of outrage about "destroying" and "dismantling".

That was an absurdity. Just as medicine had changed spectacularly since 1948, so the NHS must change if it was to meet the challenges of today and tomorrow (applause).

"We have to sweep away myth, dispense with sacred cows and conduct our discussions rationally and with intelligence."

Our objective is high quality health care for everyone. They would not let outdated ideology stand in the way of achieving that.

Great strides had been made with competitive tendering of hospital cleaning, catering and laundry. There was no reason why other functions should not also be subject to competitive tendering (applause).

On co-operation with the private sector, he said that sterile political argument that sought to picture the private sector as untouchable must end. Excellent projects in place now pointed the way.

A quarter of health authorities contracted out long-term care for the mentally ill and mentally handicapped to the private sector. "We want this co-operation to continue and to grow and we aim to encourage it (applause)."

"In pursuit of better health care for everyone we are not going to be inhibited by dogma. We are willing to consider and explore anything and everything that might help us achieve this aim."

He wanted to see every GP with a computer screen on his desk so that he could tell a patient instantly where in the country a hospital place was available for his operation (applause).

At the opening of the debate, Dr Edmund Varley, South-West Cambridgeshire, moved a motion: applauding Government support of the NHS and urging that such increased resources as were available should be used for better patient care. The motion was carried overwhelmingly.

He urged swinging taxes on tobacco to reduce tobacco-related disease at a stroke and produce savings which could be used for patient care.

Mrs Harriet Crawley, Brent East, said that Tory governments had treated nurses badly. What was the justification for paying a staff nurse £7,500 when a police constable after the same amount of training, received £10,000?

Mr David Hopkins, Wakefield, said the Secretary of State should not accept the proposal to end enrolled nurse training. The NHS could not afford to do without the 6,000 to 7,000 state enrolled nurses who qualified every year.

Mr Rob Kendrick, East Midlands, a voluntary services coordinator, said that the social services were concerned about the threat to our country of an attitude of people when mentally handicapped or ill people left institutions for the community. They must work with the community to show that those people could live in the community without threat to it and they could be supported by it.

"Our goal", he said, "is nothing less than securing a strong, free and prosperous Britain well into the next century. Yes, it is challenging. But I believe that with such a great future before us, and such a great nation behind us, nothing can stop us now."

The Tories had won the economic debate because their policies had delivered the goods (applause).

Britain had moved to the top of the European growth league. This year it looked as if the growth rate would be 4 per cent - faster than any other major economy in the world (applause). That would be achieved while resolutely keeping inflation low, something once thought impossible.

Manufacturing productivity had climbed from the bottom of the league to the top (applause). Britain had out-performed all the others, not just in Europe but the Americans and Japanese too.

"Unemployment, took a long time to turn round. But two years ago, in this very hall, I promised you that, if we stuck to our policies, unemployment would come down. We did stick to our policies and it has come down" (applause).

In the past year, it had come down more than in any other major country and it was set to fall still further. This fall was being seen throughout the nation.

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The Chancellor added: "As the spread of choice and ownership gathers pace, so we are seeing socialism in retreat. And now we need to advance still further."

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ECONOMIC POLICY

Taxing of women 'must change'

The traditional tax treatment of married women was no longer acceptable and change would have to come, Mr Nigel Lawson, Chancellor of the Exchequer, told the conference to loud applause.

He had been struck, he said, by the number of speakers who raised the issue during a lengthy debate on economic policy and taxation. One had pointed out the absurdity of the Prime Minister having to ask her husband to sign her tax return.

Mr Lawson set out the Government's achievements since 1979 and pledged that it would continue to pursue the policies that had brought about such a transformation of the economy. They were firmly embarked on the path of tax reduction and reform.

He was rewarded with a standing ovation after telling the conference that the Conservatives' historic election victory had given way to an historic opportunity.

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He urged swinging taxes on tobacco to reduce tobacco-related disease at a stroke and produce savings which could be used for patient care.

Mrs Harriet Crawley, Brent East, said that Tory governments had treated nurses badly. What was the justification for paying a staff nurse £7,500 when a police constable after the same amount of training, received £10,000?

Mr David Hopkins, Wakefield, said the Secretary of State should not accept the proposal to end enrolled nurse training. The NHS could not afford to do without the 6,000 to 7,000 state enrolled nurses who qualified every year.

He had been struck, he said, by the number of speakers who raised the issue during a lengthy debate on economic policy and taxation. One had pointed out the absurdity of the Prime Minister having to ask her husband to sign her tax return.

Mr Lawson set out the Government's achievements since 1979 and pledged that it would continue to pursue the policies that had brought about such a transformation of the economy. They were firmly embarked on the path of tax reduction and reform.

He was rewarded with a standing ovation after telling the conference that the Conservatives' historic election victory had given way to an historic opportunity.

"Our goal", he said, "is nothing less than securing a strong, free and prosperous Britain well into the next century. Yes, it is challenging. But I believe that with such a great future before us, and such a great nation behind us, nothing can stop us now."

The Tories had won the economic debate because their policies had delivered the goods (applause).

Britain had moved to the top of the European growth league. This year it looked as if the growth rate would be 4 per cent - faster than any other major economy in the world (applause). That would be achieved while resolutely keeping inflation low, something once thought impossible.

Manufacturing productivity had climbed from the bottom of the league to the top (applause). Britain had out-performed all the others, not just in Europe but the Americans and Japanese too.

"Unemployment, took a long time to turn round. But two years ago, in this very hall, I promised you that, if we stuck to our policies, unemployment would come down. We did stick to our policies and it has come down" (applause).

In the past year, it had come down more than in any other major country and it was set to fall still further. This fall was being seen throughout the nation.

The economy was in better shape than at any time since the war because of the enterprise

Government would press further ahead with its huge programme of privatization. "For it is not only the economy that has been transformed, it is society, too. Above all, by the massive extension of ownership which is causing so much agonizing among our opponents."

"Home ownership for 2.5 million more families; share ownership for 5.5 million more people; and, soon to come, personal pension ownership."

The Chancellor added: "As the spread of choice and ownership gathers pace, so we are seeing socialism in retreat. And now we need to advance still further."

"That is why our radical new plans for the reform of education and housing are so important. The successful Conservative knew what the answer was: 'You pay your money and you lose your choice'."

But the case for these reforms goes far deeper than that. For what we are engaged in is a further radical extension of the freedom and choice of the people, enabling people to enjoy that sturdy independence which is their birthright. That is our vision."

Not only would the next five years see the steady, onward march of privatization and wider share ownership. "The nation of owners we now are will ensure that the next generation is a nation of inheritors, too. And that is the ultimate entrenchment of the property-owning democracy" (applause).

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Opting out scheme in schools 'will cost taxpayer millions'

By John Clare, Education Correspondent

Allowing schools to opt out of local authority control is likely to cost the Government millions of pounds, the Audit Commission said yesterday.

The commission, an independent body responsible for monitoring the efficiency of local government, said it was concerned about the consequences of some of the Government's proposals.

In particular, it fears that local authorities will give up trying to close secondary schools which have been made uneconomic by falling pupil numbers.

The commission has already recommended that 500,000 surplus places, equivalent to 1,000 secondary schools, should be taken out of the system by the end of the decade. The present rate of closure is only half that.

Now, the commission says, the whole programme could grind to a halt because town halls suspect that any school scheduled for closure will try to opt out of local authority control.

The commission says it is not against allowing market forces to operate so long as they result in the closure of

The Equal Opportunities Commission began a High Court action in London yesterday to challenge the Labour-controlled Birmingham City Council's decision to provide 180 more grammar school places for boys than for girls.

The commission is claiming that girls suffer sex discrimination. The hearing continues today.

Some 750 members of the Professional Association of Teachers have been told by their union to refuse to fill in timesheets issued by Birmingham City Council.

unpopular schools. But it says closure procedures are so cumbersome and expensive in the short term that there is a danger that surplus capacity "will simply be shuffled around".

The commission says: "It seems likely that if educational standards are not to suffer during the period in which these reforms are phased in, the Government will need to devote greater resources to education than would otherwise have been necessary to achieve accept-

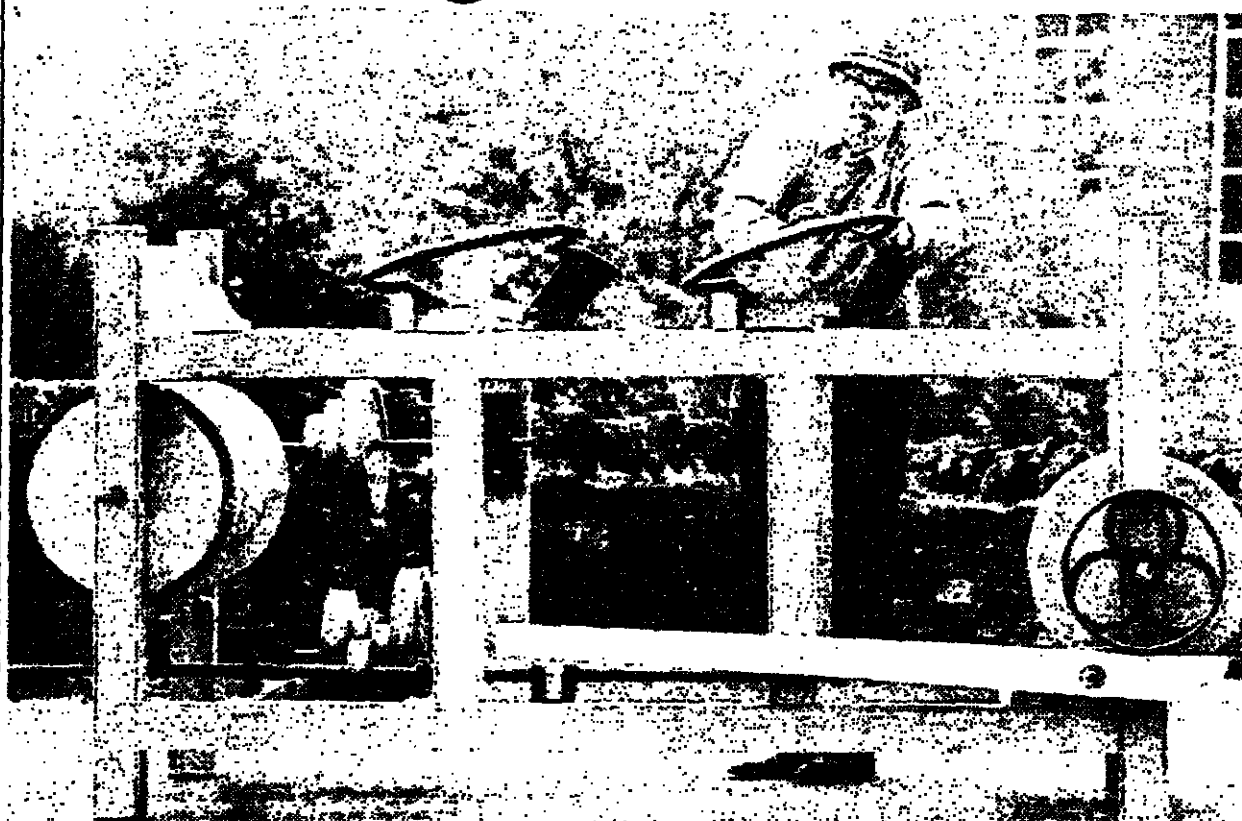
able standards of provision". The cost will depend on how many schools are allowed to opt out, the commission says. But it says that even a rise of 1 per cent in education spending by a local authority amounts to £120 million.

The commission is also concerned about the plan to give schools more control over their budgets. It asks how head teachers are to obtain the managerial and financial skills they will require and says it is already difficult in many areas to find school governors with the necessary enthusiasm, experience and competence.

The commission also calls on the Government to give local education authorities a clear assurance of their continuing importance. Without it, the commission says, "there is a risk of declining morale and a haemorrhage of talent with consequential damaging effects on the quality of educational management".

The Government's plan to introduce a national curriculum in schools was welcomed yesterday by the British Institute of Management. It said 95 per cent of respondents to a survey of 790 managers had approved the idea.

A new target for the Luddites



Mr John Magson, a craftsman who specializes in building replica pre-industrial textile machinery, puts the finishing touches to a cropping machine identical to those which provoked the Luddite riots in the early 1800s. Mr Magson, from North Owm, Halifax, West Yorkshire, is making three replicas for a forthcoming Thames Television drama production about the Luddites. He is working from a full description of

what the machines looked like and how they worked, found in a *Cyclopaedia* of 1815. Two of the trio will be smashed up during the making of the television programme and so suffer a fate identical to the originals. One will remain unscathed and will be placed in the Calderdale industrial museum in Halifax. The cropping frame was an important technological advance when it came into being about 1810 because,

operated by one worker, it replaced a team of hand croppers who had helped to prepare woollen cloth. With highly-skilled workers suddenly finding their jobs taken over by machines, riots resulted and many of the cropping frames were destroyed. None of the originals, which were superseded by a more sophisticated version a few years later, remains in existence.

(Photograph: Azadour Guzelian).

S Africa trade inquiry demanded

By Sheila Gann
Political Staff

An inquiry was demanded yesterday into why the Department of Trade and Industry is actively encouraging British firms to export sensitive security devices, to South Africa.

Anti-apartheid campaigners allege that the DTI's action contravenes international agreements signed by the British Government banning the sale of certain goods.

Leaking of the DTI papers by the Anti-Apartheid Movement is timed to embarrass Mrs Margaret Thatcher who will be called to justify her antipathy to sanctions against the Pretoria regime when she attends the Commonwealth Heads of Government meeting in Vancouver next week. She was isolated after last year's meeting because she refused to support stronger sanctions.

The DTI yesterday admitted the authenticity of the documents that include advice to British businessmen on the prospects of selling safety and security equipment, computer technology and equipment for offshore gas exploration to South Africa.

Britain maintains a voluntary ban on all new investment and an outright ban on the export of computer equipment that could be used by security forces.

However, the briefing note issued by the Overseas Trade Division of the DTI states: "Although export licence applications will continue to be examined carefully, there is no intention to hinder or to curb the legitimate trade of UK companies with South Africa. The full range of other Government services continues to be available to companies interested in the South African market."

It discloses that there is likely to be a small rise in British exports to South Africa this year. Last year exports totalled £851 million.

The most damning document in the hands of the anti-apartheid group is the DTI's advice to British firms to help meet the demand for "more sophisticated security protection" by the police and civil authorities and lists security firms and bodies that they can contact.

Lost ship best of her design, inquiry told

The Derbyshire, which sank without trace seven years ago with the loss of 44 lives, was the best ship of her design, the public inquiry into her loss was told yesterday.

A former shipyard manager told the inquiry in London that lessons were learnt and techniques improved throughout the construction of the Derbyshire's five sister ships. The Derbyshire was the last in the series of bulk carriers built at the Haverton Hill yard on Teesside.

Mr William Jowett, the retired steelworks manager, said the Derbyshire was much better than the first vessel constructed, the Furness Bridge.

He added: "You are improving your techniques all the time."

He was asked by Mr Michael Howard, for the ship's owners, Bibby Tankers: "Does that mean the Derbyshire was the best of the six?"

Mr Jowett replied: "I would say it should have been, yes."

The Derbyshire vanished in the Pacific in September, 1980.

Lawyers for the families of the dead have argued that the back of the 160,000-ton vessel was broken in a storm because of structural failure caused by errors at the shipyard.

The inquiry has heard that cracks developed in all the Derbyshire's sister ships.

Mr Jowett denied a suggestion that Lloyd's Register was unhappy with the quality control at the shipyard.

The inquiry was adjourned until Monday.

Hailsham speaks on Ulster justice Three-judge court opposed

By John Cooney

Lord Hailsham of St Marylebone has reinforced the Government's opposition to the introduction of three judges in Northern Ireland's non-jury Diplock courts.

The former Lord Chancellor said in an interview on Ulster Television last night that a three-judge court, favoured by the Irish government, would be "a very bad, inferior, amateurish and incompetent system".

Lord Hailsham said he had no knowledge to vindicate the assertion made by Dr Garret FitzGerald, the former Irish Prime Minister, that legal reforms in Northern Ireland were directly linked to the Irish Republic's introduction

of new extradition arrangements.

If politicians had tried to make this link, "they were guilty of a perversion which politicians should not adopt towards the administration of justice", Lord Hailsham said.

A transcript of his remarks is being studied closely by the Office of the Irish Prime Minister, Mr Charles Haughey. Dublin Government circles believe Lord Hailsham was responsible for blocking changes to the Diplock courts and that on his retirement, British objections would be dropped.

However, Mrs Margaret Thatcher and the judiciary in Northern Ireland remain strongly opposed to Dublin's

case for replacing the single judge system with three judges. Lord Hailsham said last night that when he was in office, the views of the Ulster judiciary were similar to his.

Asked if political desire for change might overcome the legal opposition, Lord Hailsham replied: "You can always have politicians bargaining into a matter which they don't understand."

If politicians gave a moment's thought to the issue they would realize that it would only be a matter of weeks — certainly months — before a three-man court was divided. One judge would favour acquittal while two would be for a conviction or vice-versa.

Sculptures are work of forger, says author

By Sarah Jane Checkland, Art Market Correspondent

The author of a book on one of the most gifted forgers — the Italian, Alceo Dossena — has discovered information which he believes will lead to exposure of further works, credited to others, by him in major art galleries.

Mr David Sox also thinks he may have identified the creator of the Getty Museum's suspect, circa 530 BC, Kouroi, recently the subject of worldwide speculation. He is, Mr Sox says, Gilio Pedrazzoni, a pupil of Dossena.

Mr Sox, an American historian who lectures at the American School in London and has written a book about the Turin Shroud, appeared in a BBC Television *Timewatch* programme last year and aired the first stages of his research.


One breakthrough was when he found Dossena's illegitimate son, Walter, in Rome.

Notable revelations included the discovery that a sculpture by Baron Thyssen's collection was by Dossena, as well as a relief at the St Louis Art Museum in Missouri. Experts at the Thyssen collection in Lugano Museum were apparently happy to acknowledge the fact, but the St Louis is not.

Dossena was, Mr Sox said, "unbelievably prolific", producing on average two works a week between 1916 and 1937.

"He never imitated a known work", Mr Sox said.

Unmasking the Forger (Uswin Hyman; £12.95).



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More have gas and water cut off as boards get tougher

By Andrew Morgan

The number of disconnections for non-payment of gas and water bills has risen alarmingly, according to the National Consumer Council.

Gas and water suppliers are apparently getting tougher with customers, and consumers are overstretching themselves.

A British Gas spokesman said: "There is far too much credit over-commitment. People must establish priorities".

In its report, the council says gas cut-offs have risen by 27 per cent from 35,626 last year to 45,255 this year. Water

disconnections in England and Wales rose during the past three years, with the total up from 2,150 in 1984-85 to 7,400 in 1986-87. Electricity disconnections have always been the highest, but remained static at about 100,000.

One supplier showing a tough line is the Anglian Water Authority, where the number of homes disconnected rose from 778 last year to 2,100 this year.

A spokesman said 60,000 debt visits that the authority made last year had proved too costly. "Most of our debt

visits were unsuccessful, so we cut down and disconnected more quickly", he said.

The authority drove a hard bargain with a client who owed £214 and whose income was invalidity benefit and special hardship allowance. The man raised £100 but he was told that nothing less than £145 would be adequate. He finally borrowed the money, but the local Citizens' Advice Bureau said the authority was "totally unco-operative".

British Gas Wales admits to an 83 per cent disconnection increase, but says its overall rate of 0.3 per cent is still the lowest in the UK.

The NCC report is based on information from the National Association of Citizens' Advice Bureaux. Mrs Diana Whitworth, assistant director, said attitudes had hardened among suppliers of water, gas and electricity.

Mr Frank Hingley, of the Sandwell advice bureau, Birmingham, said: "The problem is increasing because there are more people on benefit who just can't cope. A deserted woman with no child under five isn't eligible for a heating allowance. She may have to decide between food and heat".

Dance dream of Princess

The Princess of Wales at the Royal Ballet School in west London yesterday, where she spoke to students about her former ambition to be a dancer.

The Princess, who is 5ft 10in, was considered too tall for ballet, but yesterday pupils and teachers alike praised her poise and grace. "She is a natural. She even stands like a dancer", Madeleine Bresnan, a pupil aged 16, said.

Madeline said the Princess gave away some of her own ballet secrets as she watched the dancers in their make-up class. "She said she used to put lamb's wool in her shoes when she did dancing to make them more comfortable."

The Princess also asked one of the pupils how she managed to get her false eyelashes on. "I could never get them on straight", she said.

When she arrived the ballet the Princess of Wales was greeted by one of the legends of British dance, Dame Ninette de Valois, who will celebrate her ninetieth birthday next year. The school's director, Dame Merle Park, who was 50 yesterday, accompanied the Princess on the tour. "What an amazing birthday present", Dame Merle said. She suggested that the Princess's height would not have been seen as an obstacle, today to a dancing career. She said the Princess was a natural mover and stood like "a Degas print".

The Princess was given a pink Royal Ballet sweat shirt, as a memento, a black one to take home to the Prince of Wales and two smaller ones for Prince William and Prince Henry.

She spent more than an hour touring the various classes, among them a *pas de deux* class with some of the older boys and girls, aged 17 and 18.

Wearing a pillar-box red two-piece suit with military-style brass buttons, she wandered in just as a teacher, Mr David Drew, was unceremoniously telling his pupils to "stick the derrière out".

One of the pupils, Roddie Patrizio, aged 18, from Edinburgh, said afterwards that Mr Drew had moderated his language a little because of the royal visitor.



Guinness the dog applied for shares

A man who made 118 applications for shares in British Aerospace was fined £4,500 yesterday by Bow Street magistrates in central London.

The court was told that Julius Cornbloom, a property manager, used a number of pseudonyms, including Guinness, the name of his dog. Thirty of the 118 applications were successful.

Cornbloom, aged 65, of Littleton Road, Harrow, who had used his surname and the same address for each application, admitted six specimen charges of making multiple applications.

Mr Philip Levy, his counsel, said that most of the applications had the initial J so that cheques involved in the application could all be signed J Cornbloom.

Mr Michael Davis, for the prosecution, said that Cornbloom applied for 200 shares on May 7, 1986, using the name of Alison Cornbloom. On other days early in May he applied for shares using the name Jacob, Jack, Judah, Jeremy, Joseph and — "rather oddly" — Guinness.

It was stated clearly in the rules that only one application could be made per person. He would have made a profit of about £4,000 if all his applications had been successful.

The court also ordered Cornbloom to pay £500 costs.

Award for tube left in stomach

A woman who had a 30in plastic stomach pump tube left inside her was awarded more than £47,500 in damages by a High Court judge yesterday.

Mrs Kim Pask, now aged 30, was seriously ill for a year before an operation discovered the tube. It had hardened into two right-angle bends, pierced her stomach and infected a lung.

The award, with costs, was against Bexley Health Authority, responsible for Queen Mary's Hospital, Sidcup, south-east London, where Mrs Pask's stomach was injured in July 1981 after she had passed out. The hospital was said to be still at a loss to explain the mistake.

Mr Justice Canfield, awarding damages in the High Court in London, said Mrs Pask had been subject to endless agony.

Mrs Pask, of Kent Road, St Mary Cray, Orpington, south-east London, was left with a 14in operation scar.

She was unable to wear a bra because of the pain and was too embarrassed to wear a bikini on the beach. She also had little stamina and would be prone to infection for the rest of her life.

The damages award included £25,000 for pain and suffering and £17,500 for the effects of scars. Payment of part of the award was stayed for 28 days in case of an appeal by the health authority, which had admitted liability but contested the amount of damages to be awarded.

£250,000 raid

Two armed raiders stole £250,000 from a Post Office van yesterday as it made cash deliveries to post offices in Croydon in south London.

Port alert for cocaine suspect

By Stewart Tandler
Crime Reporter

Police and customs maintained a watch on all ports and airports throughout Britain yesterday as the hunt continued for a West German drugs suspect who escaped from police custody.

Mr Nikolaus Christy, aged 44, disappeared on Monday from a cell at Dewsbury police station, West Yorkshire, after sawing through the bars. He is alleged to have been involved in a £9 million cocaine smuggling operation.

Mr Christy, who had been on remand since his arrest in June when customs officers seized a record 50kg of cocaine at a Harley Street address, should have been held at Brixton prison while on remand. However, for security reasons, customs officers decided he should be moved around the country. No more than a dozen people knew he was at Dewsbury.

Mr Christy arrived at Dewsbury several weeks ago and West Yorkshire police said yesterday he was booked into the station in his own name as a straightforward prisoner.

The suspect was due to appear at Guildhall Magistrates' Court on a remand appearance on Tuesday. He may have decided to flee the day before, believing that he was about to be moved again. Early on Monday morning, he sawed through the bars of his cell and then wriggled out into the corridor. Finding the coast was clear, he then escaped through a window in the corridor.

Yesterday customs officers were still upset. One said: "It is like a novel. We are extremely dejected." West Yorkshire police said an internal inquiry was under way.

Weekend food prices

Wide range of meat promotions available

Pork is always a good buy and this week many supermarkets have it on promotion. When buying it, look for lean meat that is pale pink. Beef prices are mostly steady, while home-produced lamb prices show varying trends.

The average price of beef topside is £2.19 a lb. Boneless brisket is £1.57 and stewing steak, £1.46.

Supermarket promotions this week include Sainsbury's pork tenderloin, down 30p a lb to £2.48 a lb; Safeway boneless leg of pork, £1.68 a lb; Waitrose boneless pork steak, £2.49 a lb and Tesco boneless pork leg, £1.49 a lb.

Tesco fresh chicken drumsticks are 95p a lb; Asda fresh Harvest Mill chicken, 69p a lb; and minced beef, 89p a lb; Bejam New Zealand lamb leg, 99p a lb and Sunbird chickens, 45p a lb. Dewhurst lean round beef is £1.59 and lean cubed beef, £1.79 a lb.

There is also good news for fish lovers. Quality is excellent and prices are generally down.

Even Dover sole is down £1 a lb at Billingsgate to just under £5 a lb. Top quality cod is about £1.95 a lb and Scottish haddock is about £2.25 a lb. Whole plaice is about £1.45 a lb.

Other buys (prices per pound): huss £1.45; grey mullet £1.20; red gurnard 80p; herring 90p; mackerel 65p; squid 90p; sardines £1.15;

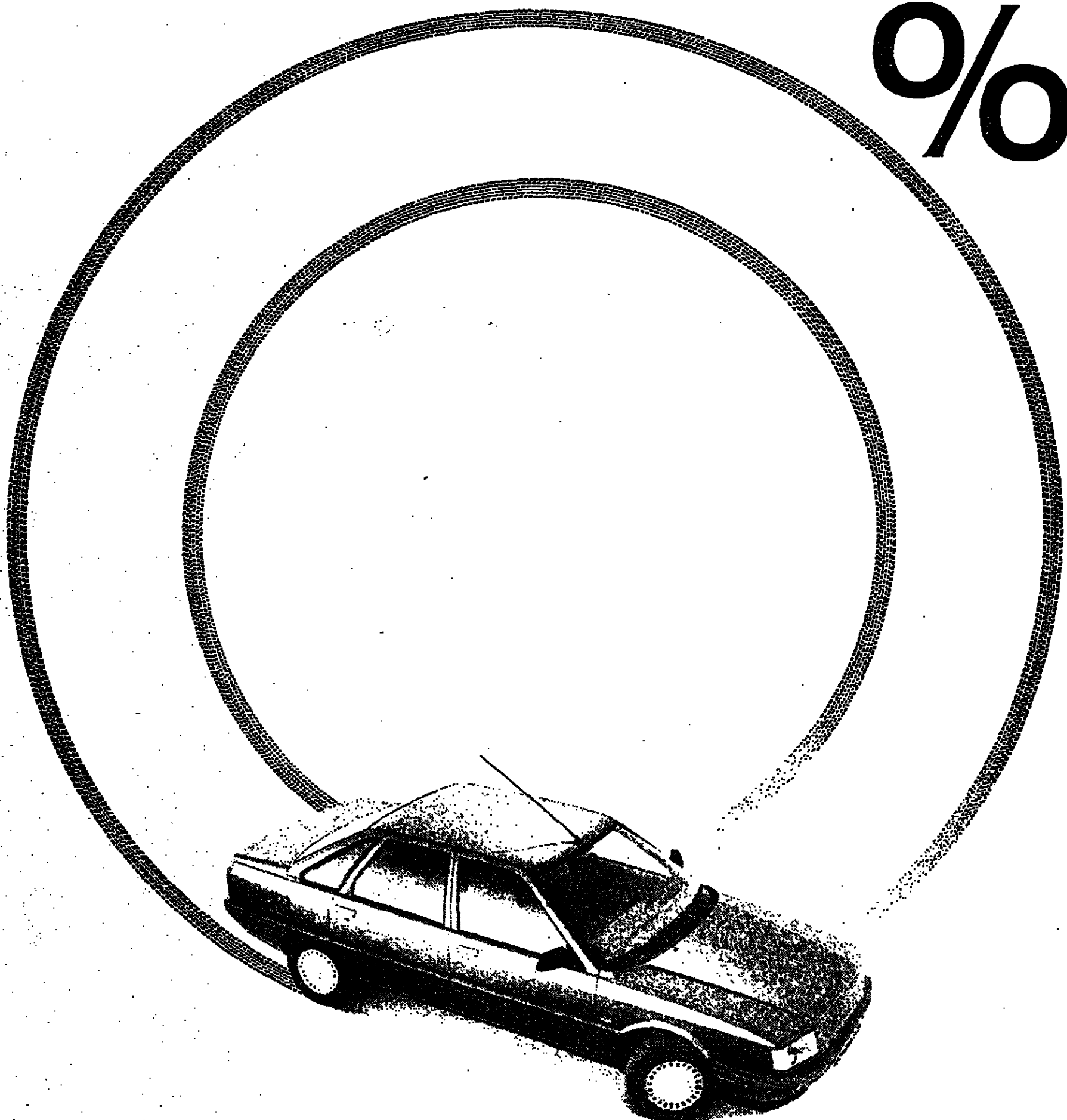
sprats 60p; and exotic soups, a braam-like fish from France, £2.

Bogue is good for stock at 85p a lb and smoked mussels at £1.20 a quarter pound make an interesting addition to fish pie.

Brussels sprouts at 25p-40p a lb are more plentiful and high in quality. English cauliflowers at 40-50p each are superb and courgettes, at 40-65p are good value. Broccoli is quite expensive at 90p-£1.25, but cabbage, 20-30p a lb, is good. There are plentiful supplies of carrots, 14-24p a lb; swedes, 16-18p; and leeks, 35-55p a lb. The range in price for parsnips seems unusually wide, from 15p to 35p a lb.

English Cox's apples, 36-50p, are excellent. New in the shops this week are Spartans, 40-45p a lb, and Russells, at the same price. There are two new editions to the many grapes available, Spanish Napoleon and Almerias, all between 50-90p a lb. Kiwi fruit are still cheap from 12p each. English Marjorie Seedling plums, 35-45p, are very good if not overripe, and English Laxton Croppers, 20-25p a lb, are new in the shops.

Best value salad buys are English celery, 30-45p a head; tomatoes, 40-70p a lb; Chinese leaves, 40-75p; round lettuce, 18-28p; iceberg lettuce, 55-85p; and spring onions, 20-35p a bunch.



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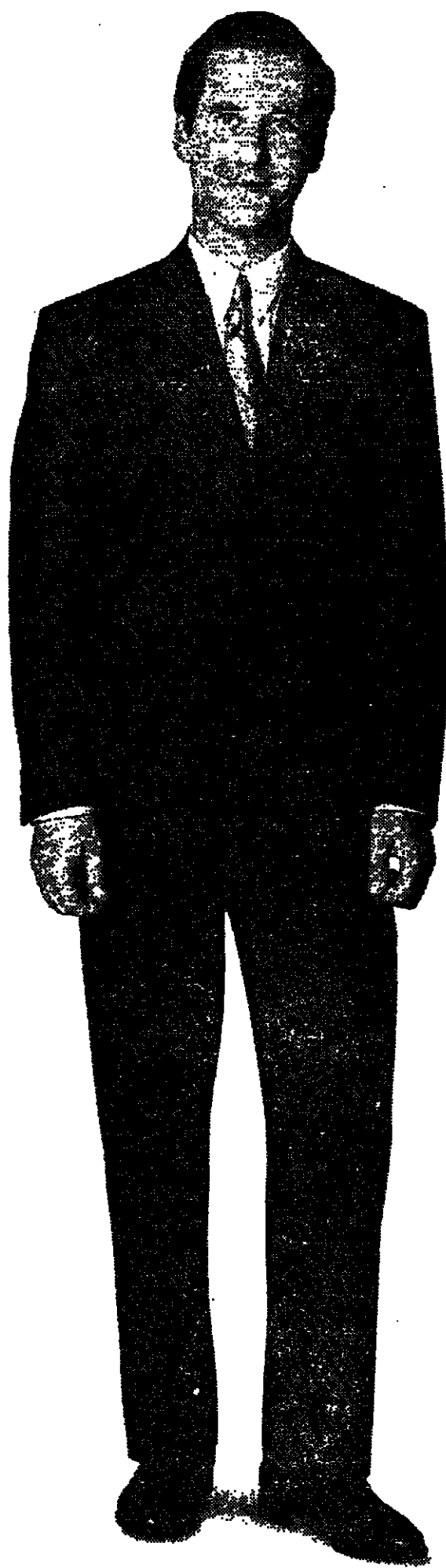
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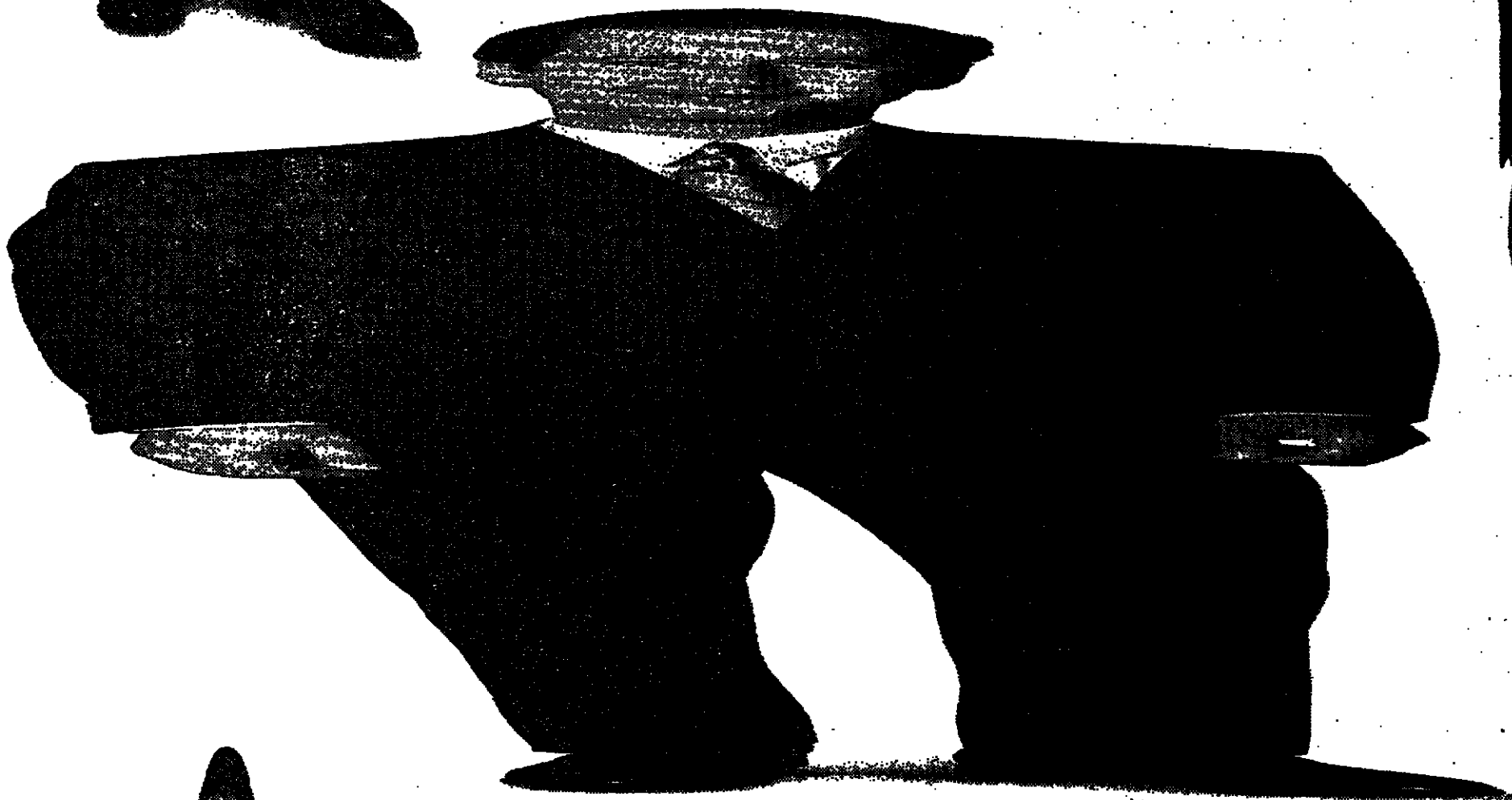
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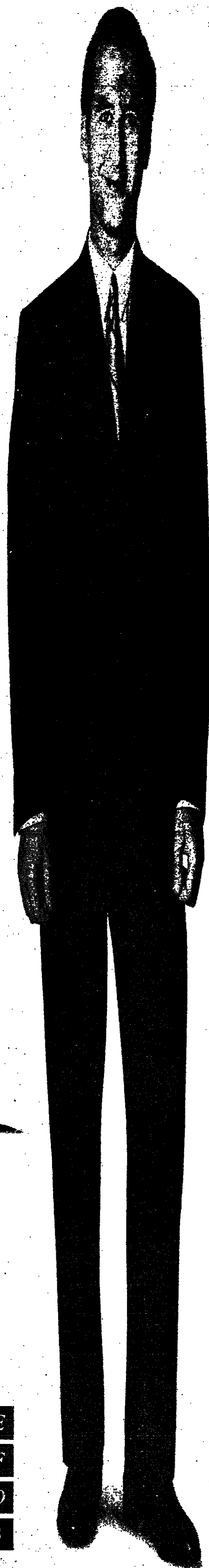
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WORLD SUMMARY

Drug crackdown in Italian schools

Rome — Italian police, deploying sniffer dogs and backed by paramilitary units, have launched a nationwide crackdown on drug pushers in secondary schools (Roger Boyes writes). Dozens of children were detained yesterday and then referred to probation or social services after the anti-drugs squad found them in possession of hashish or harder drugs. Some students sitting on the steps of a school were rolling marijuana cigarettes when police invaded the playground.

INF delay Bombers warning cleared

The arms negotiating teams in Geneva have warned that it will take at least until the end of November for all the remaining problems to be resolved so that a treaty can be signed in Washington to remove intermediate-range missiles from Europe (Michael Evans writes).

Extremists executed

Paris — Death sentences were carried out yesterday in Tunisia on two of the seven Islamic extremists condemned to death at the end of last month (Susan MacDonald writes). President Bourguiba, who is determined to crack down on Islamic extremism, refused an appeal for clemency by the two men, who were hanged despite pleas from international human rights organizations. One had been convicted of making the bombs which injured British and Italian tourists in resort hotels in August and the other of throwing acid in the face of a politician. Five others were sentenced to death in their absence and police are still searching for them.

400 held in Chile Monkey business

Santiago — A national strike against the military regime in Chile ended with 400 arrests, two men shot, and the death of a two-year-old, apparently hit by a stray bullet from a gun battle (Lake Sagaris writes). Government spokesmen said the strike, which finished on Wednesday night, was a "total failure". School attendances in the capital were down 70 per cent, and bus and taxi services were minimal.

Moscow (AFP) — A Soviet spacecraft sent into space last week with a mini-zoo to observe the effects of weightlessness on animals, will stay in orbit for the scheduled two weeks, as one of the two monkeys on board now seems to have recovered from initial stress. Officials had considered bringing the spacecraft back to earth because the monkey had developed a fever in the early stages of the mission, which began 11 days ago.

Aids ravages the élite of African cities

From Thomson Prentice Naples

Hundreds of thousands of men, women and children in at least 20 African countries are believed to be developing Aids, an international conference of medical experts was told here yesterday.

Huge numbers have died and the pandemic threatens some of the poorest countries with economic ruin.

Emergency plans to combat the spread of Aids in Africa, where up to 10 million people may already be infected, were also discussed.

The disease is hitting hardest at the well-educated middle

and upper classes in African cities, claiming the lives of young politicians, businessmen, teachers, doctors and military officers.

Dr Jonathan Mann, the co-ordinator of the World Health Organization programme on Aids, said: "This selective impact has the potential for economic and political destabilization of some of the countries involved. We are only just beginning to recognize the serious implications."

The problems are made worse because most, if not all, of these countries cannot cope with the immense cost of medical treatment, blood

screening and public education campaigns which are essential to slow the spread of Aids.

Countries known to be infected include: Botswana, Burundi, Cameroon, the Central African Republic, Congo, Gabon, The Gambia, Ghana, Kenya, Malawi, Nigeria, Rwanda, Senegal, South Africa, Tanzania, Tunisia, Uganda, Zaire, Zambia and Zimbabwe.

The disclosure earlier this week by President Kamanda of Zambia that his son had died of Aids, highlights how the disease is striking at many of Africa's élite.

At least one government minister in Zaire has died of

the disease, as have his wife and mistress. Those deaths spurred President Mobutu of Zaire to launch education and prevention campaigns, and most other African states are now taking similar steps.

Yesterday, specialists from some of the worst-affected countries were giving harrowing details of the spread of the disease. Doctors told of babies in Rwanda being born infected, or contracting the Aids virus from their mother's milk.

Other doctors said that in some cities, women aged between 19 and 30 have become a "high-risk" group, because Aids is essentially a sexually-transmitted disease. Through-

out Africa, men and women are almost equally affected.

The spread of Aids has caused startlingly high infection rates among prostitutes in such cities as Nairobi, Kampala and Kinshasa. Clients of the women, including thousands of international travellers, risk spreading Aids across the continent and the rest of the world.

"If the harvest of Aids cases from the sowing around the world of the virus is realized, we are facing a more than tenfold increase in the number of cases in the next five years," Dr Mann said.

In Zaire, about 9 per cent of pregnant women at one hos-

pital in the capital, Kinshasa, were discovered to be contaminated. In Rwanda, ten times as many children are now infected as there were in 1984.

Hospitals in most of the large cities throughout Africa are reporting increased numbers of babies born infected. In addition, many of the African states have seriously-contaminated blood transfusion stocks which pose extra hazards in medical care.

A further problem is the discovery of a second strain of the Aids virus in West Africa. Some experts believe that this could mean that the continent will be much more seriously ravaged than initially believed.

Britain prepares way for UN peace bid

From Zoriana Pysariwsky New York

The five permanent members of the United Nations Security Council were consulting yesterday on a set of British-drafted proposals designed to increase pressure on Iran and Iraq to end their war.

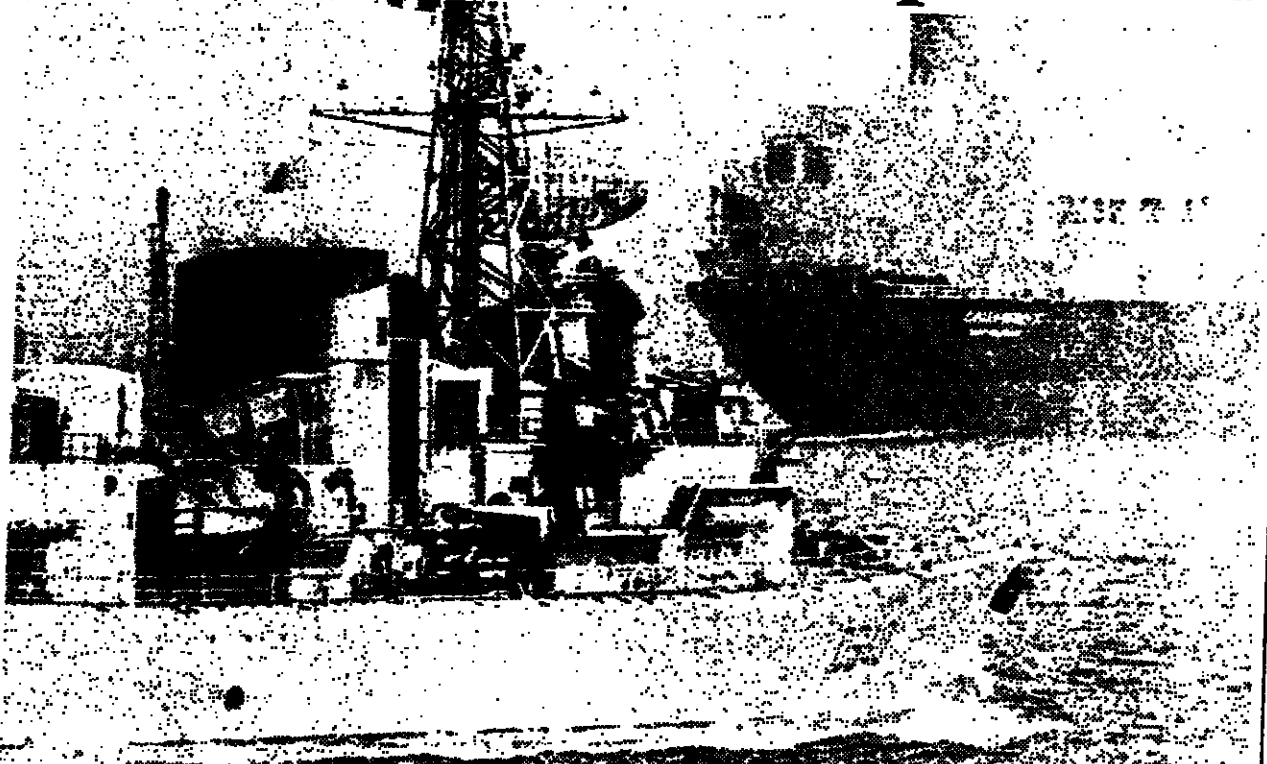
The working paper is part of a two-tier process which seeks to overcome the stumbling blocks to reconciling Iranian and Iraqi positions on resolution 598, demanding an immediate ceasefire in the Gulf.

As a concession to Iraq, which is adamant in demanding unequivocal Iranian acceptance of an armistice, the draft contains a timetable for putting the ceasefire and a subsequent Iranian troop withdrawal from Iraqi territory into effect.

As an inducement to Iran, it provides a more detailed set of negotiating instructions for Señor Javier Pérez de Cuéllar, the Secretary-General, that would allow him to pursue Tehran's willingness to honour a tacit truce that would be formalized once a special committee to investigate the causes of the war began its deliberations.

Britain has drafted the proposals in its role as co-ordinator of the five permanent Council members. But the conciliatory approach is being backed up by preliminary drafting of a follow-up resolution that would impose an arms embargo if either belligerent fails to accept the proposed timetable.

Officials said yesterday that Señor Pérez de Cuéllar could be given a Council mandate for a second peace mission to the Gulf. Armed with the threat of a second resolution



The French destroyer Georges Leygues, escorting the French-registered supertanker Chaumont to its anchorage off Dubai.

Japanese tanker attacked in Gulf

Dubai (Reuter) — Two missiles hit a Japanese-managed tanker in the central Gulf yesterday, setting the engine room ablaze, and French minesweepers reported finding mines at the busy entrance to the waterway.

As a tugboat helped to battle the fire on the 9,431-tonne Tomoe 8, its Burmese master, Captain Tiampagang Tun said by radio: "I really do not know what hit me. I have no idea. I just heard the explosion and the sudden impact." He

said three crewmen suffered minor injuries in the attack.

The French Navy announced that its minesweepers had detected two mines off the busy port of Khor Fakkan, in the United Arab Emirates, just outside the entrance to the Gulf.

At first shipping sources suggested that the Tomoe 8 was attacked by Iranian gunboats. But Iraq later said that its planes had raided a large vessel south of Iran's Kharg

Island oil export terminal. The attack on the tanker, operated by the Japanese company Niwase Kaifu KK, came one day after shipping executives in Tokyo lifted a temporary ban on Gulf sailings.

The Iranian News Agency IRNA, said that President Khamenei of Iran has expressed dissatisfaction with Tokyo's decision to provide a navigational system to help navies in the Gulf to track shipping.

Evangelist prays for mercy of voters

From Christopher Thomas Washington

The Reverend Pat Robertson, the Republican presidential contender who frequently has private chats with God, has been caught lying. "I would ask a little mercy," he said. "Judge not that ye not be judged."

The fiery evangelist, whose ultra-conservative politics and rantings against declining moral standards have made him a darling of the religious right, has lately been correcting some of his mis-statements. Even one of his books has been hurriedly modified.

The most damaging revelation is that he has consistently lied about the date of his marriage 33 years ago to disguise the fact that his son was conceived out of wedlock and was born 10 weeks after the marriage.

He has also been distancing himself from the autobiography he published in 1972, *Show it from the Households*.

One passage in the original book has been mysteriously removed from later issues. It said that God told him that a minister should not get involved in electoral politics. Now, he says, God wants him to run for president.

Mr Robertson, a southern Baptist, admitted that some information about his career may have been a little "sloppy". But he was now trying to be accurate.

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Officials killed by mine as Tamils attacks escalate

From Michael Hamlyn, Colombo

The Tamil Tigers, their blood lust unabated, yesterday killed another 22 people in the north and east of Sri Lanka.

The Indian peacekeeping force, which has been bitterly attacked by Sri Lankan newspapers and partly blamed even by President Jayewardene, has increased its activities to try to prevent further incidents.

Yesterday's killings were mostly by land-mines. The worst incident, in which a senior Tamil civil servant died, took place with great precision: A government vehicle was picked off at 40 miles per hour while it was between two Indian escort trucks.

That mine killed 14 people, including Mr Mariampillai Anthonimathu, the government agent of Batticaloa. Also killed was the chief coordinating officer of the district, Police Superintendent Vimal Da Silva, the assistant

government agent, five other government officials, and six police commandos.

Four members of the Sri Lankan Army, including an officer, died in the northern town of Mannar. They were blown up while delivering water to an Indian Army unit. Two more were killed in Trincomalee.

In Amparai, the southernmost district of the Eastern province, two Sinhalese civilians were killed when the Tigers launched an attack with guns and hatchets on the village of Sinnawatte.

According to Indian officials in Colombo, the peacekeeping force yesterday began putting into effect "an absolutely detailed operational plan" against the gunmen of the Liberation Tigers of Tamil Eelam, the largest of the Tamil rebel organizations.

It was reported that 15

Tamil guerrillas had been picked up, including a local leader in the Batticaloa district known as "Suresh". There were also rumours that the rebel leader, Mr Velupillai Prabhakaran, had been arrested in Jaffna, but these were denied.

The apparent inactivity of the Indian peacekeeping force in the face of the killings has aroused the anger of leader writers in the southern papers. The independent *Sun* newspaper asked acerbically: "What is peacekeeping? Is it merely to sit in barracks whilst mayhem goes on in the vicinity? Is it to allow one's friends and protégés to kill, whilst restraining the victims?"

The Island, calling the Indians "the so-called peacekeeping force" throughout, questioned the silence "as the country goes up in flames again" of those who issued

messages of congratulations at the signing of the peace accord, specifically identifying Mrs Thatcher and President Reagan.

President Jayewardene spoke yesterday to the Members of Parliament belonging to his United National Party, and strongly defended the accord.

The President, who said that only 60 per cent of the Tamil arms had been surrendered, laid down conditions for the Indian Government to fulfil as part of the accord:

- The complete disarming of the Tamil Tigers and other terrorist groups in the North and East.

- Return to elections in the north and east.

- The maintenance of law and order and the cessation of terrorism in the north and east.

Delhi fears an upsurge of retaliatory violence from the Sinhalese community.

Hundreds of Sinhalese are said to have fled from Eastern Province after 150 were killed near Trincomalee and Batticaloa on Tuesday night. Many are reported to be heading towards the south of the country, where Tamils are in a minority.

India sends minister and boosts troop strength

Delhi - The Indian Defence Minister, Mr K.C. Pant, is visiting Sri Lanka today to assess the situation in the wake of the recent violence (Kuldip Nayar writes).

Mr Pant is due to meet President Jayewardene to assure him of India's full support.

The Indian Chief of Staff,

General Krishnaswamy Sundarji, is already in Sri Lanka, discussing the violence in the Eastern Province with officials of the Indian peacekeeping force.

Another 5,000 Indian soldiers have been flown to Sri Lanka, raising the strength of the peace-keeping force to 18,000. A few tanks have also

been sent to the Eastern Province.

The peace-keeping force has been ordered to prevent civilians from carrying arms. An Indian Government spokesman said that the force had been ordered to shoot trouble-makers on sight.

Delhi fears an upsurge of

Reporters ordered to quit Lhasa by tonight

From Robert Griesse, Chengdu

Fourteen Western journalists have been ordered to leave the beleaguered Tibetan city of Lhasa by midnight tonight, according to a journalist who arrived here in the Chinese province of Sichuan yesterday.

Mr Adi Ignatius, the Peking correspondent for *The Wall Street Journal*, said that several foreign correspondents staying at the Lhasa Hotel were telephoned by the Tibetan Foreign Affairs Office on Wednesday and told they would have to leave the city within 48 hours.

When the reporters refused, a general meeting of the journalists from Britain, the United States, Italy, France, West Germany and Australia was called for midnight on Wednesday at the hotel.

At the meeting, Mr Deng Zhu, the vice-director of the foreign affairs office, said that the reporters had violated Article 16 of the guidelines governing foreign journalists in China, which states that reporters must submit specific questions to the Foreign Office of the Chinese locality they wish to visit 10 days before the visit. Mr Deng reportedly said that the journalists had also violated Article 21 of the code. A check by journalists of the code in Peking seemed to show



The Dalai Lama: Appealing to world leaders to oppose Chinese "suppression" in Tibet.

that Article 21 does not exist. The New China News Agency in Peking made public the order for foreign journalists to leave Tibet yesterday afternoon.

Mr Stefan Simons, the Peking correspondent for *Der Spiegel*, the West German magazine, and vice-president of the Foreign Correspondents' Club in Peking, said that the expulsion of foreign reporters from Lhasa had

"nothing to do with regulations. We've violated no law. It has only to do with our covering events that are embarrassing."

In the past 12 days there have been three demonstrations in Lhasa led by Buddhist monks in support of Tibetan independence.

NEW DELHI: The Dalai Lama, aged 52, the spiritual leader of Tibetan Buddhism

who is exiled here, yesterday called on world leaders to try to halt "Chinese suppressive measures" against Tibetans (AFP reports).

Embassy guarded: Indian commandos yesterday guarded the Chinese Embassy in New Delhi here as exiled Tibetans pursued their anti-Chinese campaign for independence and the release of protesters held in Lhasa, police said (AFP reports).

Nicaraguan ceasefire

Army pulls out of Contra war zone

From David Gollob, Quilali, Nicaragua

East German military lorries carrying Nicaraguan soldiers, with 122 mm cannon in tow, rumbled through this remote mountain town on Tuesday morning as the Sandinista Army withdrew from one of three unilaterally-declared ceasefire zones.

By midnight, when the ceasefire took effect, about 2,500 troops had been pulled out from jungle and mountains in a 375-square-mile area to the north and east.

Leaving ill-equipped and poorly-trained militiamen behind to defend the population, the soldiers regrouped on the periphery, ready to return should the Contras attack. Contra leaders have said they will not respect the ceasefire because the terms were not negotiated with them.

A stone's throw from the Honduran border, this area has seen some of the heaviest fighting in the six-year-old civil war. A senior Sandinista intelligence officer admitted that here rebels enjoy the support and sympathy of a significant portion of the population.

The 30-day ceasefire is a carefully calculated experiment. It is designed to establish negotiations and ultimately a permanent truce with local rebel fighters, circumventing their leaders in Miami and Honduras, with whom the Sandinistas refuse to deal.

If successful, it could splinter Contra forces and produce hundreds, if not thousands, of defectors. If it fails, Sandinista claims that the Contras are a force of demoralized and unwilling combatants desperate to seize the first opportunity to give up the struggle will lose credibility. Scores of pro-Sandinista peasants could pay with their lives if the Contras make good their threat to continue fighting.

Central to the Government's strategy is the assumption that relatives of Contra fighters can be enticed into acting as intermediaries, establishing contact with groups of rebels and encouraging

them to take advantage of the Government's offer of amnesty. The troop withdrawal is designed to create a "climate of confidence" in which rebels may be lured back to their home villages to visit families they have not seen in years.

The participation of church officials as guarantors of the Government's amnesty pledge is a crucial element. Priests and lay preachers have agreed to serve on regional and local "peace commissions" which will monitor the ceasefire, promote contact with rebel fighters, and guarantee that any who turn themselves in can resume normal life without fear of reprisals.

Inhabitants of the ceasefire zone had mixed feelings about the chance of success of the Government's stratagem and their willingness to collaborate.

"We fear betrayal," said Señor Reinaldo Mesa, aged 40, a peasant farmer from Kahlali, a hamlet six miles north of Quilali, where, according to residents, fighting between the Contras and the Sandinista Army is a daily occurrence.

"We fear that they will turn themselves in and the next day they will be killed. Everyone wants peace, but everyone has doubts."

Señora Isadora Salgado, aged 34, with five brothers in Contra ranks, said she did not trust the Sandinistas because two years ago she had been arrested as a collaborator and mistreated in detention.

Señora Hilario Vilchez, a

cattle rancher in her 40s, said she would collaborate with her local peace commission despite an order from rebel commander Colonel Enrique Bermudez to kill intermediaries who attempt to make contact with rebel forces on the ground.

"I'm not afraid," she said. "They're all boys from this area and they know me." Señora Vilchez said she had not seen her 18-year-old son, a Contra fighter, in two years.

Women held for using poison to beat adultery

Valencia (Reuters) - Four women have been detained in the Valencia region for allegedly plotting to give their husbands arsenic in the belief it would stop their infidelities.

The plot was discovered using bugged telephones after the police chief of the town of Alagosa, whose wife had accused him of adultery, was admitted to hospital and tests showed he had been taking small amounts of arsenic in his coffee and custard for several months.

Palme prize

Stockholm (Reuters) - The black South African union leader Mr Cyril Ramaphosa, is the first winner of the Olaf Palme Prize for his role in the struggle against apartheid.

Bus tragedy

Vienna (AP) - Three school-children died and 13 were seriously injured when a school bus collided with a train at an ungarded level crossing in Styria province.

Spain's day

Madrid (Reuters) - Spain's national day will in future be October 12, the anniversary of Columbus's discovery of America in 1492.

Death rite

Delhi (Reuters) - Police here arrested six people for kidnapping and sacrificing a year-old baby girl in a fertility rite.

Marvin buried

Washington (AFP) - The actor Lee Marvin, a former US Marine, was buried with military honours at Arlington National Cemetery.

Lucky dog

Moscow (Reuters) - A dog devoured by a 6ft pike in northern Siberia was found alive after his master caught the 114lb fish and cut it open.

Bank theft

Athens (Reuters) - A woman stole valuables worth more than £300,000 from an Athens safety deposit box opened for her by bank clerks when she pretended to have lost the key.

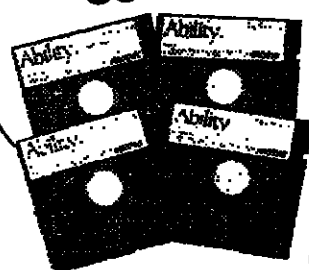
Post haste

Toronto (AP) - The Canadian Government has intervened with emergency legislation to halt a nine-day national postal strike.

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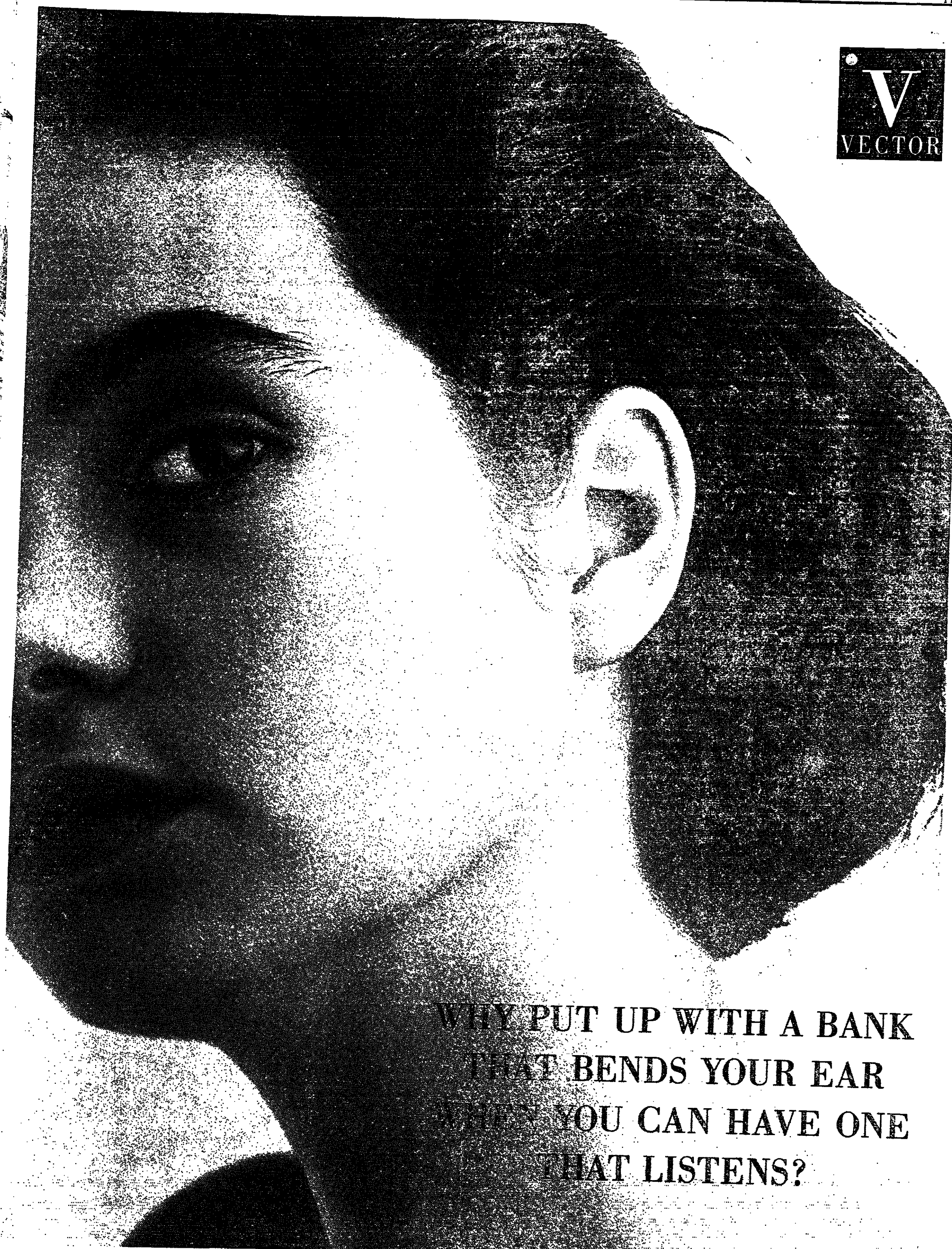
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Hundreds of jobs to go in Warsaw's war on red tape

Warsaw (Reuters) — Poland's Communist leadership sought official party approval yesterday for a reform of the government apparatus as part of a campaign to enact ambitious economic and political changes.

Endorsement of the plan by the party's Central Committee will be a first step towards the shedding of hundreds of jobs in government ministries and an unprecedented shift in decision-taking power and initiative to factory bosses.

Political sources said that it would be the widest and most crucial upheaval in the bureaucracy since the Communist Party took power after the Second World War and would determine the success of the drive by General Wojciech Jaruzelski, the Polish leader, to transform the economy.

The Central Committee debate took place behind closed doors but the official PAP news agency emphasized that the first worker to speak at the plenum had voiced support for the plan.

Under it, the number of government ministries will be sharply reduced, super-min-

istries will be created to run key sectors of the economy such as energy, transport and industry, and much of the bureaucracy surrounding the creation of new businesses will be removed.

An independent Member of Parliament, who declined to be identified, said: "It takes out of the hands of the bureaucrats their main tool — business permits. Thousands of bribetakers will now have nothing to sell. Power is no longer a commodity for sale."

The plan was presented to the Central Committee by Mr Zbigniew Messner, the Prime Minister, who will also unveil it to Parliament tomorrow, when it is due to receive a first reading by MPs.

Political sources said the plan could be given final parliamentary approval by the end of the month.

Party officials predicted that there was little doubt that General Jaruzelski and his supporters would win the backing of the Central Committee. "There is now a consensus that real reform cannot be accomplished without a major restructuring of the central administration," one said.

Belgium's gypsies gather to bury their king



The Grand Pastor of the world's Romanies, Lulu, left, giving a eulogy with Bible in hand for Christian Gunda Modeste, the King of the Belgian gypsies, at his funeral in Sint-Ulriks Kappelle, Belgium, yesterday. He died on October 4, aged 77.

Smith fights Harare over suspension salary

Harare — Mr Ian Smith, the former Prime Minister of Rhodesia, began legal proceedings in Zimbabwe yesterday to force Parliament to pay him the salary and allowances he lost when suspended from the chamber in April (Jan Raath writes from Harare).

He was not in court when lawyers representing him claimed that Parliament was "not competent" to have suspended him for remarks he made on a visit to South Africa in which he criticized intentions by Mr Robert Mugabe, the Prime Minister, to impose sanctions against

Pretoria. But with the abolition of constitutionally entrenched white representation in Parliament, Mr Smith, aged 68, has dropped his demands to be reinstated. All he is seeking is his parliamentary salary of £549.14 a month and his allowances for the five months and three weeks he

was excluded from taking up his seat as MP for Bulawayo Central.

As a wealthy cattle breeder, Mr Smith appears more intent on redressing alleged wrongs than making money.

Mr Justice Wilson Sandura reserved judgement.

Worrall pushed to sidelines by the party he launched

From Michael Hornsby, Johannesburg

South Africa's former Ambassador to Britain, Dr Denis Worrall, has been relegated to the sidelines by the independent political movement which he helped to launch with much fanfare earlier this year and represented as a candidate in the election to the whites-only House of Assembly on May 6.

His chief comrade-in-arms during the election, Mr Wynand Malan, the only member of the independent group to win a seat in Parliament, has announced the formation of a new National Democratic Movement with a "leadership committee" that does not include Dr Worrall.

The NDM, according to Mr Malan, will start operating as a political party when Parliament, now in recess, resumes early next year. It will, however, also seek to play an extra-parliamentary role, and hence has chosen to canvass support under the more nebulous title of a "movement".

Mr Malan told a press conference in Cape Town yesterday that the movement would "function across the total spectrum of politics" and would try to "bridge and unite parliamentary and extra-parliamentary politics".

That would mean "a more open, participatory approach" that would seek to involve traditional opponents of the existing parliamentary system, among them the outlawed African National Congress. The movement would, however, "never negotiate with violence".

The parliamentary nucleus of the NDM consists of Mr Malan, who resigned from President Botha's ruling National Party last January, and two former MPs of the liberal Progressive Federal Party who announced their defection to the NDM on Wednesday night. They are Mr Peter Gasterow, who was the PFP national chairman, and Mr Pierre Cronje. A third member of the PFP, Mr Pieter Schoeman, who is not an MP, has also joined the movement, which thus has a parliamentary base of three seats (compared to the ruling party's 133).

All three of the PFP defectors attended the meeting between a group of (mainly Afrikaner) whites and exiled African National Congress leaders in Dakar, Senegal, last July organized by the Institute for a Democratic Alternative for South Africa, the organization founded by Dr Frederik van Zyl Slabbert.

Dr Worrall, who came within a tantalizing 39 votes of defeating a senior Cabinet Minister, Mr Chris Heunis, on May 6, frankly admitted yesterday that he had not been kept abreast of the latest

developments and did not think much of them.

"I had always understood that a requirement for a major new political initiative like this was that we should have some defectors from the NP as well as the PFP. We don't want an alternative to the PFP, we want an alternative to the Government," he said.

It is no secret that Dr Worrall and Mr Malan never hit it off personally. Associates of Mr Malan let it be known yesterday that Dr Worrall was felt to be too much of a prima donna, and that he was not liked by blacks, a drawback for a party aiming to project its appeal across the colour line.

Mr Malan had hoped that he would by now have been joined by some defectors from the ruling party as well as from the PFP to give the launch of the movement greater impact. These did not materialize, however, and the PFP men felt they could not delay their own move any longer.

The movement could prove to be of significance if it can persuade some members of the ruling party to cross the floor and thus give it credibility as a potential home for liberal-minded Afrikaners who are disenchanted with the Government but not prepared to vote for the English-oriented PFP.

If that happened, the Government could find its traditional Afrikaner base being eroded from both right and left, the squeeze which the PFP tried, but notably failed, to apply on May 6. The next general elections are due in 1989.

Mr Malan is not a charismatic leader and as yet the NDM has little actual, or much promise of future financial backing. Its potential appeal is questionable, to say the least, in the light of a municipal by-election result in Mr Malan's Randburg constituency in northern Johannesburg last month.

This was surprisingly won by the demoralized PFP. The Independent candidate trailed in third behind the ruling party.



Dr Denis Worrall: did not get along with Mr Malan.

Pretoria claims a 'press paradise'

From Our Own Correspondent, Johannesburg

The South African Government's chief press spokesman, Dr Stoffel van der Merwe, claimed here yesterday that South Africa had "become a potential paradise for journalists".

Dr van der Merwe, Deputy Minister of Information, was addressing an international conference on "Conflict and the Press", organized by the city's evening newspaper, *The Star*, to celebrate its 100th anniversary.

The media, Dr van der Merwe said, had a natural affinity for conflict because its consequences were exciting and newsworthy, and there was no doubt that South Africa had "a high potential for conflict and drama".

That the conference should be taking place at all in a country which probably has the most elaborate controls on the press outside the communist world, has given the occasion a certain poignant topicality.

The conference opened with a gala banquet on Wednesday night, addressed by Lord McGregor of Durris, chairman of the British Advertising Standards Authority and a former chairman of a Royal Commission on the Press.

Conflict between governments and the press was not only inevitable but desirable, Lord McGregor said. Government "tends always to tyranny", and an independent press was "the most powerful of all restraints" upon that tendency.

Mrs Katharine Graham,

chairman of *The Washington Post* board, told the conference yesterday that even though Pretoria had had "some success in suppressing the flow of news", foreign correspondents were still managing to report.

"When governments or their leaders try to persuade people they are suppressing information in the interests of the people themselves, I tend to believe that is precisely the information that people most need to know," she said.

As delegates were gathering for the conference, Pretoria, with its usually exquisite sense of timing, issued its first warning to a South African newspaper under new press regulations that came into force at the end of August. These gave the Government the power to close a paper for three months if the warning is ignored.

The recipient of the warning is the *New Nation*, a weekly paper written and edited mainly by blacks and funded by the Catholic Church. Its editor, Mr Zwelekele Sibus, has been held in jail without trial for the past 10 months.

Only two of the more prominent people invited to the conference were not present. Mr Ted Koppel, of the American television network ABC, declined to come because Pretoria would not allow him to broadcast while he was here, and Mr Cushman, managing director of the *Statesman* of Calcutta, was barred from coming by his own Government.

Homeland leader dies

Pretoria (AFP) — The Chief Minister of South Africa's black tribal homeland of Lebowa, Mr Cedric Phatudi, has died in hospital here after lapsing into a coma earlier in the week. He was 75, and had been in ill health for several years.

Mr Phatudi was elected Chief Minister of Lebowa in Transvaal province — in 1973. He was a strong supporter of foreign investment and frequently travelled abroad to plead with foreign heads of

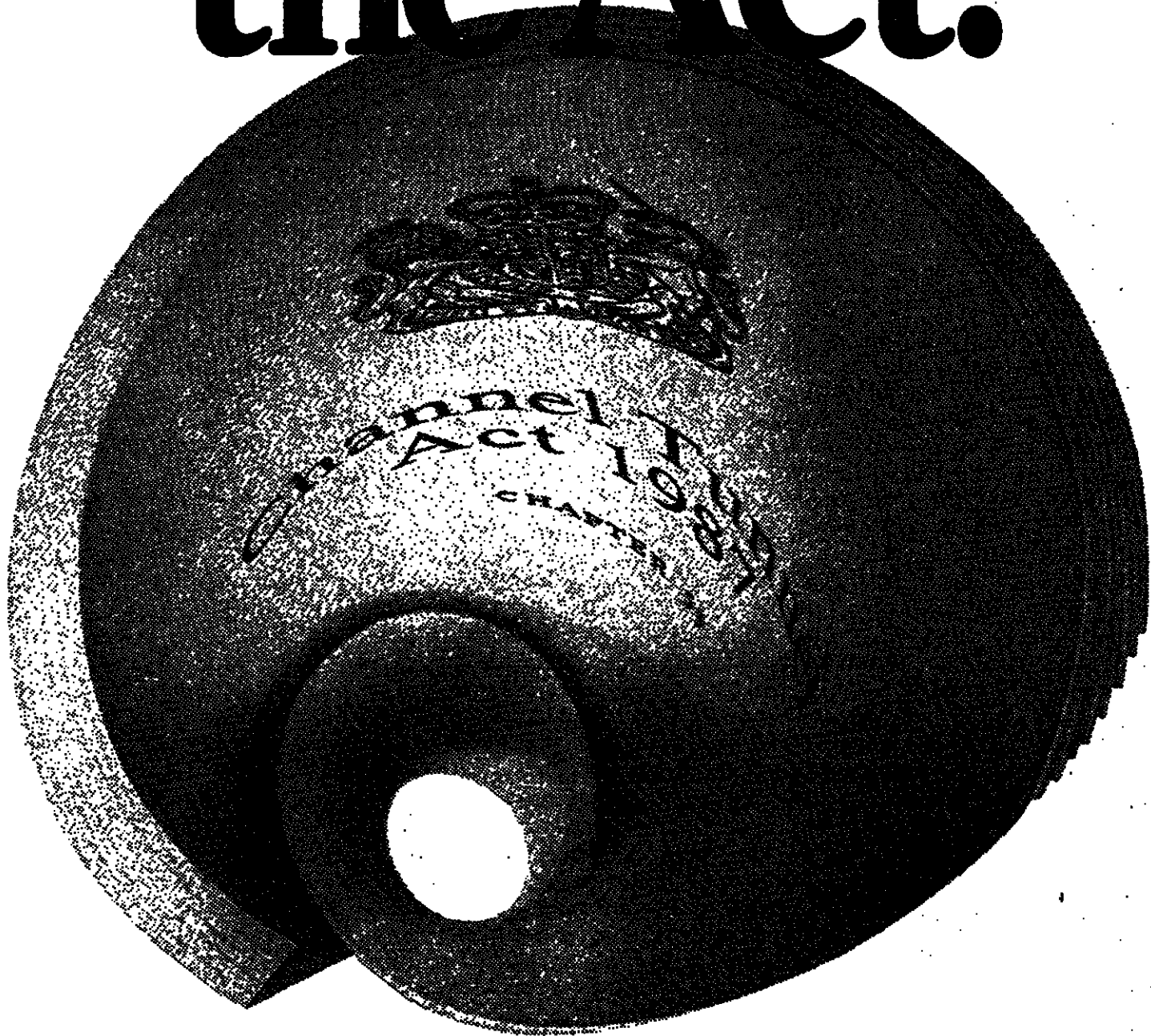
state to abandon their policies of disinvestment from South Africa.

President Botha told Parliament that the people of Lebowa had lost a great leader.

Lebowa was engulfed in violence last year between the authorities and young militants of the United Democratic Front, which opposes South Africa's homeland policy. Several people were killed in the disturbances.

Obituary, page 20

Eurotunnel: how to get into the Act.



In July, Parliament passed the Channel Tunnel Act. A few days later, the Channel Tunnel Treaty was ratified by the British and French governments. This authorised Eurotunnel to construct and operate the first-ever fixed link between Britain and the Continent. Work on the Tunnel is already underway. It's scheduled to open in 1993.

The whole of this great enterprise is being funded privately.

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A breakthrough for Britain

Eurotunnel Share Offer

Worrall pushed
sidelines by the
party he launched

Diplomats and Fijians come to terms with Rabuka's new republic

From Gavin Bell, Suva

The Fijian Information Ministry said that discussions were taking place with a view to staging further exercises and enhancing co-operation between the two countries.

Initial Western reaction to the 19-member interim Council of Ministers appointed on Wednesday has not been favourable. "The people the Colonel has chosen are a mixed bag," one diplomat commented. "With a few exceptions, they do not have a very high record of public achievement."

One of those exceptions is Mr Felipe Bole, the Foreign Minister, formerly Fiji's representative at the United Nations. He is expected to pursue a cautious, moderate policy.

Visible signs of the political turmoil are hard to detect. The pace of transition, even in the capital, is so unhurried as to be imperceptible.

The pale blue flag with its Union Jack in the upper-left corner still flies from Suva's Grand Pacific Hotel, a favourite haunt of Somerset Maugham, and from Government buildings.

Policemen still sport metal shoulder flashes proclaiming them to be members of the Royal Fiji Police. An officer at the Information Ministry assured me the "Royal" would be deleted, although he was uncertain when.

The Fijians, by nature affable and courteous, display a disarming candour and wry humour about their revolution.

Yesterday a senior army officer, instrumental in Colonel Rabuka's seizure of power, answered his telephone: "Buckingham Palace".

● **Suva Ministers:** The new Fijian Council of Ministers is: Home Affairs and Public Service Commission Colonel Siriveni Rabuka, Foreign Affairs and Civil Aviation Mr Felipe Bole, Finance Ratu Jona Senavua, Economic Development, Planning, Trade and Industry Mr Ismail Bose, Health and Social Welfare Dr Apurva Karisqaia, Lands and Mineral Resources Mr Sakiasi Butadroka, Housing and Urban Affairs Mr Lival Nasilwatha, Indian Affairs Mrs Irene Jai Narayan, Employment and Industrial Relations Mr Tanieli Veitata, Fijian Affairs Ratu Meli Vesikula, Youth and Sports Lieutenant-Colonel Ratu Kacisoimone, Women and Culture Asil Lita Cakoban, Forests Ratu Sir Josaia Taveuni, Rural Development Major Apolosi Bivakaloma, Attorney General and Justice Mr Kameini Boleva, Education Ratu Filimone Rasegavan, Primary Industries Mr Apisai Tora, Communications, Works and Transport Mr William Govelev, Minister of State, Information Ratu Iakoba Kubabala.

Fears grip community Uncertain future worries Indians

From Stephen Taylor, Suva

In the upheaval over the Fiji Constitution it has often seemed that the least vocal constituency is the one which is losing most - the majority ethnic-Indian community.

For all the hushed talk about Uganda - or because of it - there have been no demonstrations or signs of dissent, and Indian leaders have been conspicuous for their discretion.

But two explosions since the September 25 coup have sounded an ominous warning of a protest trend with perilous implications.

Both explosions were caused by house-made bombs. The first, on September 26, killed an ethnic-Indian outside the University of the South Pacific, who seems to have been on his way to plant it. The second, last Sunday, seriously injured a policeman in Nadi.

Reacting to symptoms of panic, Colonel Siriveni Rabuka has issued a stream of reassurances to ethnic-Indians. In the latest, at a news conference, he spoke of "a commitment to the rights, freedoms and beliefs" of other ethnic groups. "The Indians should have no worries at all," he said.

However, these assertions are starkly at odds with the sentiments of Tautaki movement leaders, like Ratu Meli Vesikula, who are prominently featured in Colonel Rabuka's new Cabinet.

Ratu Vesikula says: "Realistically, I believe eventually about 300,000 Indians will leave. They'll be the rich ones. That would leave about 50,000, and that's about right."

The acknowledged leader of the Indian community is Mr Jai Ram Reddy, former Attorney-General in the deposed coalition Government. He says the mood of the Indian community is "very anxious and depressed."

Mr Reddy, who has virtually gone underground for fear of arrest, said in an interview yesterday: "We are asking, is this the beginning of worse things to come?"

Indians were already losing political parity. "We are asking, now that the door is open, if they will be taking away other things tomorrow."

"The manner that this has been done leaves us with no guarantee about our economic interests."

watching developments from abroad. The majority are thought to be in Canada.

Still, talk about mass migration is probably premature. Most Indians lack either the qualifications or the wealth to make new homes in the preferred destinations - Australia, New Zealand and the US, as well as Canada.

Only 5 per cent of the community belongs to the wealthy Gujarati merchant class, while more than 60 per cent are sugar farmers or cutters of no great affluence.

The one country to which all Indians could turn in extremis - Mother India herself - does not seem to be an attractive option at the moment. Since the first coup on May 14, only 14 families have applied to the Indian High Commission here for migrant status.

A source informed about the Indian community says: "Most have no notion what life is like in India. Only 10 per cent or so have ever been there. Despite the difficulties here, they are still better off for the time being than they would be under any other available option."

Vatican wins battle on religion in schools

From Roger Boyes, Rome

The Vatican and the Italian Government have reached a hard-fought compromise to end a politically-embarrassing argument about compulsory religious classes in schools.

The agreement represents something of a victory for the Church. Cardinal Agostino Casaroli, the Vatican Secretary of State, appears to have dominated the negotiations with Signor Giovanni Goria, the Italian Prime Minister.

Signor Goria's five-party coalition Government had planned to declare that religious lessons should be considered optional, and that classes should be scheduled at the beginning or the end of the day so that non-participants could stay at home. The Pope

and the Italian bishops were outraged.

The new agreement embraces three points. First, the word "optional" will be dropped from official texts. Second, school authorities rather than the Education Ministry will determine the timing of the "religious hour". Finally, those students not attending religious lessons will have to make the time up with an extra hour during the week.

Very few Italian children exercise their right to drop the religious class - attendance nationwide is more than 90 per cent, even in Communist strongholds like Bologna. Signor Goria, by politely giving in, has restored the traditionally comfortable relationship between his Christian Democratic Party and the Church.

Shevardnadze's Cuba whistle-stop



President Castro of Cuba, left, greeting Mr. Shevardnadze, the Soviet Foreign Minister, on his arrival in Havana yesterday for a one-day visit.

Mr Shevardnadze was on his way back from a 12-day South American tour, which took in Brazil, Argentina and Uruguay (Reuters reports from Buenos Aires).

At a news conference in Uruguay, the last stop of his tour, Mr Shevardnadze said his visit had been marvellous, leading to policy understandings between the Soviet Union and its "South American partners".

Mr Shevardnadze's trip to South America was the first by a high-ranking Soviet official and was partly aimed at making way for a visit to the region by Mr Mikhail Gorbachev, the Soviet leader.

French MPs vote for impeachment in funds scandal

From Philip Jacobson, Paris

Wary members of France's National Assembly voted by 340 to 211 in the early hours of yesterday for the impeachment of a former government minister for the first time in more than 50 years.

The decision to send the case of M Christian Nucci, Minister for Overseas Development in the previous Socialist Administration, to the High Court of Justice, takes the murky affair known as the Carrefour du Développement scandal, another step closer to final judgement on what happened to a few million pounds of money earmarked for promoting relations with countries in the Third World, especially Africa.

After the Assembly's decision, the Senate is expected to begin discussions about the timing of its own impeachment hearings. Parliamentary sources indicated that these would almost certainly take place next week and that the Senate vote was likely to confirm the impeachment motion.

The way would then be open for M Nucci to stand trial before the High Court, which hears all cases of ministers accused of crimes committed in the course of official duties.

By now, all but the most dedicated followers of this complex affair have lost track of its many twists and turns since April last year, when the incoming Government of M Jacques Chirac discovered a "hole" of some £2 million in the Carrefour accounts.

Among the 16 people already facing charges arising from previous investigations is M Nucci's former *chef de cabinet*, M Yves Chaler. Shortly after being ordered to explain the accounting "anomalies", M Chaler disappeared, as did a number of key documents in a robbery at Carrefour headquarters.

After surfacing in Brazil, from where he delivered some allegations about M Nucci and the alleged involvement of the French secret service in the affair, M Chaler returned to France. He has since claimed the secret service, acting on orders from the present Minister of the Interior, M Charles Pasqua, had helped his escape with a phoney passport. The Minister denies this, but one of his close aides has been charged with handling false official documents.

For his part, M Nucci maintains that none of the missing millions went into his own pocket or into the coffers of the Socialist Party. With a presidential election coming up next Spring, the right is intent on using the scandal to create trouble for President Mitterrand and his party.

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MUM, GRANDAD, ROGER, SHARON, ETHEL.

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MUM, GRANDAD, ROGER, SHARON, ETHEL, UNCLE OLLIE, THE ODEON CINEMA, THE PET SHOP, GARY.

Phonecard 20

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Phonecard 40

MUM, GRANDAD, ROGER, SHARON, ETHEL, UNCLE OLLIE, THE ODEON CINEMA, THE PET SHOP, GARY, MAUREEN, KEITH, ANNIE, RUSSELL, THE SPEAKING CLOCK, LINDA, DANIELLE, AND ANYONE ELSE WHO KNOWS ME.

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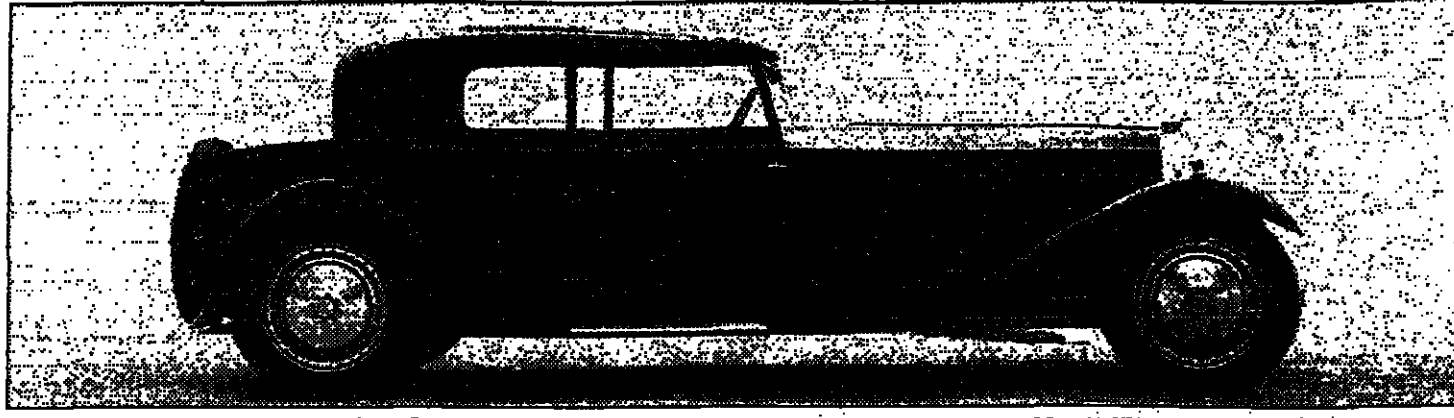
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SPECTRUM

This car was once part-exchanged for two refrigerators; next month someone will pay more than £5 million for it



Only six models of the Bugatti Royale were ever made. When one of them goes for auction at the Albert Hall, it will be a rare opportunity to put the myths of the marque to the test



The Beast: Bugatti's Royale weighs three tons, has a wheelbase almost as long as a London bus and its roof is at eye-level for a 6ft 6in man

Etienne Bugatti intended his Type 41 Royale to be the best car in the world, not just the best, in fact, but the best according to the master's own eccentric standards. Each, weighing three tons, would have a chassis whose 19ft wheelbase approached that of a London bus; each would have an eight-cylinder engine, each cylinder equivalent in capacity to a Metro engine; each would be sent from Bugatti's factory in Alsace to have its bodywork individually crafted by a bespoke coachbuilder.

At a price more than three times that of a Rolls-Royce, they were intended solely for royalty or the super-rich — and with an ar-

rogance typical of the man, clients were expected to come to Bugatti for the privilege of ordering the car, and not he to them. This may well go some way to explaining why only six, with their distinctive silver elephant badges, were built. It is a car surrounded by legend and myth. All six examples survive, but most have vanished from public view since the Second World War, jealously guarded like old masters by their wealthy owners. The last Royale to be sold changed hands privately for more than £5 million; the auction record for all other types of car is about £1.25 million.

When he began manufacturing, before the First World War,

Bugatti planned to build a car "beyond any criticism". But he found success as a maker of lightweight grand prix cars and it was not until he won a government contract to build huge aero engines that he had the chance to work on a large scale.

For years the myths have grown around the six Royales, the most persistent concerning the difficulty of driving the massive beasts. A bump in the road was supposed to produce a kickback at the steering wheel strong enough to choke a mule. Since Bugatti still favoured cable-operated brakes, at a time when both Rolls-Royce and Duesenberg offered hydraulic sys-

tems, it was said that one needed a wrestler's strength to haul the three tons of machinery to a halt. And the huge steering wheel was rumoured to require a Popeye to wrench it around.

Now that the American collector Briggs Cunningham has announced the auction of his Royale by Christie's in London on November 19, some of the myths can be tested. A British motoring historian, Doug Nye, was recently allowed to drive the car on private roads in California, near Cunningham's museum. During the week-long run, the car logged some 500 miles. "That," Nye points out, "is probably 15 times

what it has done in any one year for the past 36 years."

Nye views the car's reputation with reserve. "Candidly, a lot of its appeal, especially to the Americans, is simply naive rubbish. There are many things about it which don't match up to other quality cars of the period."

He does enthuse, however, over the chassis design. "The way it handles is beautiful for such a huge car. Faced with a tight S bend, most other luxury cars of the period can't cope at speed. The front suspension washes out, and the car ends up in the ditch. With the Royale you can go from lock to

lock quickly, and the car just says, 'Yes sir, right sir, thank you very much sir'."

The individual coachwork is what distinguishes one Royale from another. The £5.3 million Double Bertone, for example, is described by Nye as, in aesthetic terms, "a collision between two stage coaches and a steam loco". Alas, the open two-seater bodywork designed by Jean Bugatti, Enore's talented son, for the example once belonging to Armand Esders, a Parisian clothing manufacturer, no longer exists.

But if the photographs are anything to go by, this must have

been one of the most dashing cars of all time, with an elegant S-shaped sweep to the running board and mudguards, its lines enhanced by the complete lack of lighting equipment (the owner did not drive at night). This car, the second built, was rebodied in the late Thirties in a more conventional coupe de ville style.

Cunningham's car first appeared at the Olympia Motor Show in 1932, advertised at £6,500 (in today's terms, this would be £163,600). Unsold, it was stored during the war and sold off cheaply in 1951 to a buyer in the United States, who added a couple of highly desirable Frigidaire in part-exchange. Nye insists that photographs do not do justice to the subtlety of the bodywork, which is by the Kellner company of Paris, nor reflect its sheer size: the roof gutter is at eye level to a six and a half footer.

Robert Brooks of Christie's will be presiding over the sale when it takes place at the Royal Albert Hall. He admits to feeling nervous; his estimate of the car's value is in the £5-6 million range. And when it is sold, the beast, like some rare species of animal much worried over by conservation groups, will no doubt disappear from sight once more.

Chris Peachment

Revie's last battle

A year ago Don Revie went round the golf course at St Andrews in 79. Last week he was back at the Royal and Ancient. But this time, he could not even hold a golf club and his legs were too weak to take him down to the course to watch the stars in the Dunhill World Cup. For Revie has motor neurone disease.

MND causes the progressive withering of nerve endings which in turn results in the failure of the muscles which they serve. Its causes are unknown and there is no cure. There are three basic types, defined by which part of the nervous system is attacked first. Each type appears to have a slightly different rate of progress but the average life expectancy from the onset is three to four years.

Cruelly, it is the speed of the disease's progress which creates problems for the charity raising money for research

Don Revie is fighting an opponent he cannot beat — motor neurone disease. Bryan Appleyard reports

and care. For, although every year as many people are told they have MND as are told they have multiple sclerosis, MND is virtually unknown, whereas MS is known to everybody. The reason is that there are only 5,000 MND sufferers around at any one time compared with 50,000 with MS. Those with MND simply die quicker.

This week is MND Week — a new attempt to fight ignorance of the condition.

Revie is about one year into the disease. The familiar rocky features are still intact, as is the pat, brass-tacks, football managerial style of conversation. But the body is obviously failing. He can barely climb steps even with his stick, his fingers have begun to turn

inwards and he can no longer fully raise his arms.

The disease struck at a tragic time. Revie, a professional footballer since he was 19, became manager of Leeds United in 1961. He took them to the top, but there was widespread criticism of his tactics and, years later, newspaper allegations — always denied by Revie — of involvement in match rigging.

He became England manager in 1974 but, in 1977, he left suddenly to work in the United Arab Emirates. The Football Association tried to have him banned for 10 years for desertion, and though a judge overturned the ban on a technicality, he

described Revie "greedy, deceitful and selfish".

After returning to England, Revie and his wife Elsie retired to a bungalow at Kinross last year. They intended to play golf more or less full time — they were half an hour's drive from St Andrews — and joined the Kinross and Milnathort clubs. Within a month, their plans started to go wrong.

"It was about 14 months ago," Revie explained, "I said to Elsie that I was getting pains down the backs of my legs during the last six holes of each round. I put it down to slipped disc problems I'd had going back 25 years."

He went back to a doctor he knew at Leeds who confirmed the disc problems but said that

could not be causing the pain — no nerves were trapped. He managed to keep up the golf until February, but by May his legs were deteriorating. A London specialist gave him a whole range of tests, then called Revie in to see him.

"I felt it was something serious when he rang me. So I told my son and my daughter — Duncan and Kim — and they came along with me. He told me there was nothing wrong with my X-rays and then he said, 'I think it's motor neurone, Don' and explained that the nerves weren't strong enough to keep the muscles going."

"I asked what he could do, if there was an operation or something. But he said: 'There's no cure for it, Don'. There were three of us in tears when we left."

"Kim went out afterwards and found out everything she could about the disease. She spent £89 on a book which she read from cover to cover five times and she found out the names of places in Charing Cross, Switzerland and America where they specialized."

It was Kim who put Revie on to a hospital in Houston, Texas, where he went in August for more tests. The doctor there told him that 10 per cent of victims die in two years, 70 per cent between three and five years and the remaining 20 per cent can last as long as 15 years. He was also told of an experimental drug which involved three years of treatment and was supposedly available only to American citizens.

The Motor Neurone Disease Association in Northampton, however, stresses that all research efforts are international — there are 19 projects running in this country — and no such treatment was yet known to be effective.

Revie settled back into a new routine in Kinross. He spends about three hours a day at nearby Bridge of Earn Hospital where he goes through a routine of 17 exercises, a spell in the swimming pool and massage. Every hour he must walk for about five minutes. The intention is to keep muscles functioning and no more; trying to build up muscles is seen as potentially harmful.

"It's got into my hands and arms since May. It was when I found I couldn't fasten a button that I went to the London specialist. Over the last two or three weeks my arms have



Getting on with it: MND sufferer Don Revie at St Andrews

got worse, my legs don't seem to have gone off so badly."

"But you've got to be careful when you're walking. Your legs feel like lumps of lead, you feel you've no control over them and there's no power in your arms and shoulders. I've got a chair at home which has a button that drops you flat or stands you up and that's a big help."

"Getting up in the morning is a big change. I can't use a wet razor because I can't reach so I have to use an electric. And you have to sit on the side of the bed and make sure you

can reach everything. It takes me about an hour."

"It's frustrating. The thing I really miss most of all is the golf. I still sometimes go to the 18th green and watch Elsie coming in. But I'd sacrifice the golf if I could just walk properly and get up and down stairs."

The rest of his time Revie spends at functions and promotional events organized by his son's company, Total Sport, and he also helps raise money for the English and Scottish MND charities.

With golf gone, his favourite relaxation seems to be

'I cried when I was told. But then I thought, well, I've had to fight all my life. I thought I would have a go at it'

looking at videos and photographs of the old days ("You do look back more to the old days — John Charles, Kevin Keegan, Matt Busby...").

Elsie, who has been married to him for 38 years, said he had become more thoughtful and had lost the old rigour with which he would organize every family movement. "But," she added, "football managers have to be terribly philosophical. They're judged every time they go out on the field. He's a realist so he just decided to face up to it."

Revie explained in similar terms: "I cried that first day when I was told and I cried when the doctor in America told me those figures about deaths. But then I thought, well, I've had to fight all my life. I thought I would have a go at it. It might beat me — I mean, it's like playing bloody Liverpool at Anfield."

They do not think too much about the future. He said he was not religious, though he did believe in a hereafter and said his prayers every night. "I started that when I lost my mother, when I was 11. I used to say them on my knees but I can't now..."

Revie's adjustment to the disease has been spectacular and he is helped by a certain obvious pig-headedness. In addition, he is systematic and well organized. Football managers — a language he has been talking for 26 years — typically bides real emotion behind strings of clichés and an obsessive use of Christian names. Now it is used to provide the moral imagery to explain his courage.

"Well, Bryan, when there's only one road you can go down. Right, you've got to get on with it." Among the things that getting on with it means is planning for 1990, when the British Open will be held at St Andrews. Revie has booked three suites in the club house — "if I make it..."

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The Motor Neurone Disease Association is at 61 Deringate, Northampton. The Scottish Motor Neurone Disease Association is at Rooms 11 and 12, 136, Ingram Street, Glasgow.



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MOROCCO
The Longest Summer

THE TIMES
SATURDAY

Anchored in paradise

Where do two rum punches still make one fall over? Where do they say "What is to be, must be", and why? Where can you ride in buses called Sweet Roses or Labour's Reward, and how do you find Cobblers Cove? For the answers, join Michael Watkins in *The Times* tomorrow as he boards a yacht called Windsong to savour the delights of the West Indies

CONCISE CROSSWORD NO 1382

ACROSS
1 Splendid (6)
4 Column base (6)
7 Care (4)
8 One-piece garment (4,4)
9 Back of skull (7)
11 Glee (5)
12 Hi tech zone (7,6)
15 Wounds (3)
16 Pulverizes (7)
20 Black rag doll (8)
21 Solid (4)
22 Dried grape (6)
23 Flog (6)

DOWN
1 Order to appear (7)
2 Alarm (5)
3 Trinker (5)
4 Ceremonial splendour (4)
5 On neither side (7)
6 Impediment (5)

10 Selects (5)
11 Cat cry (5)
13 Rhine siren (7)
14 Muslim face veil (7)
15 Beet, cane product (5)
17 Should (5)
18 Heather (5)
19 Wander idly (4)

SOLUTION TO NO 1381
ACROSS: 1 Beaker 4 Immune 9 Wessell 10 Prior 11 Fies 12 Cessock 14 Rule of thumb 18 Seminar 19 Lace 22 Cove 24 Supple 25 Endure 26 Agency
DOWN: 1 Bawl 2 Sial 3 El Alamein 5 Map 6 Uniform 7 Eureka 8 Black Forest 11 Fur 13 Schilling 15 Unmoved 16 Bce 17 Psyche 20 Capon 21 Delly 23 Tor

refrigerator
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FRIDAY PAGE

Sex is not a four-letter word

If it is true that men think about sex more than women, it is also true that women talk about it more than men. Some women, Naim Attallah discovered, were even ready to discuss the delicate subject in interviews carried out over breakfast, as much as during lunch or dinner.

Attallah had set out to assess the views of the women of our time by talking to 289 of them, often in intimate detail, about their careers

and creativity, motherhood and marriage, love and sex. Love, it appeared, was not the whole existence of many and sex could often be a thing apart; some questioned the need for fidelity — 'I cannot understand wives who set such store by it' — others the need for sex. 'The old cliché is true,' one married woman told Attallah, 'sex isn't important until you are in a relationship where it is going wrong.'

WOMEN —talking— Part 5 SEXUALITY

Pam Gens
Playwright



There is a very wide sexual spectrum. My doctor friends tell me people still come into the surgery and say, 'we've been married six months and haven't got a baby yet; and it turns out they haven't been doing it. Amazing. On the other hand, there are people who are the opposite, and it's just as difficult for them. I've known men whose desires have been uncontrollable. A dog's life. What do you do? Such a man has to find an answer. And I've known women like that. I have often thought, because I myself never had a lot of energy, and it happens I have a husband with very high energy, that some of the rules about marriage are silly. I mean, some men should definitely have three or four wives. It would really be kinder for the women, too; occasionally, not so often I don't think, the other way around.

Caroline Huppert
French film-maker

Women can divorce sex from love, like men. Even if lots of women don't at the moment, it's in the air and will come. I see it with the young women I work with: the more freedom one has, the more difficult it is not to separate the two.

Mandy Rice Davies
Actress

In my twenties, I had very little sexual urge. In my thirties, it was a little more interesting, and from the age of about 34, much more — funnily enough, in what people would term a more masculine way. I mean, I never used to walk along the street and suddenly think about something sexual from the night before or whatever. But as I get older, that happens to me more frequently. I enjoy it more, much, much more. It might be something to do with relaxing. As you get older, you're becoming happier with yourself, there's less pressure.

Doris Saatchi
Art collector

It's not that women in the past were ashamed to enjoy sex, but they felt embarrassed about admitting they enjoyed it. Now, of course, if you don't enjoy sex there is something wrong with you and you

embark on a 10-year course of therapy. The situation has gone totally mad the other way. It seems that not only are you supposed to enjoy sex, but you're supposed to talk about how much you enjoy it. That I find tiresome, I must say.

Margaret Drabble
Novelist

If you have four or five or six or seven babies, then you begin to feel a bit worn out, whereas a man doesn't. He may feel the financial burden, but he doesn't feel quite the physical burden; so many women have been more wary about their physical commitment, and this has certainly restrained their sexuality to a degree where a lot of Victorian women genuinely were frigid. They just couldn't face having sexual intercourse because they didn't want to get pregnant again.

Soraya Khashoggi
Photographer, former wife of arms dealer Adnan Khashoggi

Sex is first of all a very visual thing. A man walks through the door, and I think, yes I would, no I wouldn't. And any woman who says she doesn't think that way, at least for a second, is a liar.

Tina Brown
Editor of Vanity Fair

I think we do exaggerate the importance of sex. The old cliché is true: sex isn't important until you are in a relationship where it is going wrong. I underestimate its importance, perhaps, because I am actually very happy. Long periods of chastity are perfectly okay, particularly when you are working hard. I also think a promiscuous woman is very unlikely to be a happy woman. Women, of course, are much more aware of their sexuality now and can enjoy being single and having flings and get a lot out of it. But rabid promiscuity in a woman usually means she is desperate about something.

Barbara Cartland
Novelist

Sex is important to everybody but I think it's been blown up into a thing that you must have and must do. People are told they must rush into bed and do peculiar things off the

chandelier, which is a lot of rubbish. I was the best-selling author in America when the romantic era came in. I sold something like two million copies of every book I wrote. There was no competition. Then along came these romantic authors who were told to write just like Barbara Cartland with pornography. I know them well, they're very sweet to me. They're middle-class, middle-aged women. Half of them have never been kissed, let alone done those filthy things off the chandelier, but they're told it's what sells.

Nanette Newman
Actress, broadcaster

Perhaps all sex is a private fantasy.

Sister Camille D'Ariano
Sister of Mercy, lecturer, journalist, commentator in the United States

Sex is not a subject to which I have devoted a lot of personal intellectual energy, since I am a celibate woman. I certainly suspect that many of our attitudes are attributable to conditioning. There seems to be little in our society that has said to the young men, generation after generation, that sexual relations are not a game, you don't have the right to go around having sex with anybody, that doesn't make you a man. That makes you something less than a man. Men, I believe, on the sexual level alone, learn the lesson that they don't have to live with the consequences of their choices, that they don't have to be responsible for their actions, that somebody else will carry the guilt, and the burden, and the disappointment, and possibly the child.

Emma Sergeant
Painter

A man has always liked challenge, and if it takes a long time to get a woman, he values her more. The man never values what he gets easily; this is the law of nature.

Jerry Hall
Model

I think men can have sex with anyone, with all sorts of girls, anyone. But women have to be in love to enjoy sex with a man. They have to be in love, otherwise it's a bit revolting.

Marghanita Laski
Novelist and critic

There is a confusion between

love and infatuation, between infatuation and sexual need. If you need a man, you need a man. Women who say they must be in love and so on really find the idea of sex rather disgusting and only really aroused are prepared to have it and don't recognize that they have these needs, and so, when they are aroused, they think this must be love. I think people confuse orgasm, which is sexual satisfaction, and sexual ecstasy, which is very rare. It happens two or three times in a life, just as ecstasy from music or anything else. You know the phrase people use nowadays, the earth moved. This is not something that happens every day of the week.

Shirley Conran
Novelist

Women go to bed with men for much the same reasons as men go to bed with women, including boredom — I mean, if you're stuck in Chicago, my goodness,

Jean Raddock
Labour MP, Lewisham Deptford

In the gay community, from what we know and from what I have observed, most men will have a very large number of partners, whereas most women in the gay community will have much longer-term, more fulfilling, more secure relationships, where the sexual act in itself is only part of a much greater emotional involvement. And that must say something about sex and emotions.

Lady Annabel Goldsmith
Wife of Sir James Goldsmith

I can never understand the wives who really mind, the wives who set such store by fidelity. How extraordinary, and how mad they are. Because, surely, if the man goes out and he comes back, it's not actually doing

any harm. It's a very oriental way of thinking, but it is one I really do believe and have felt strongly since I was very young. I can't see any harm in the man going out, going to bed with a few women, coming back. It's not going to make a difference. It might make it better. There's a risk he may fall in love, but if he's going to fall in love with someone else, he's going to do that anyway. I think, if more women could understand that, there would be fewer divorces. I am married to somebody who does this, but this isn't why I'm saying it.

Mary Crowther
Consultant gynaecologist and obstetrician

In initial sexual exploration, for men it's very much a physical thing. They simply want to lose their virginity, and society allows that and that's okay. For women it's different. Part of it is the Christian — or not necessarily just the Christian — ethic that sex is something sacred and tied in with procreation and a gift from God. There's the other thing that virginity is a commodity: the girl who has her virginity is a nice girl and the girl who doesn't is a bad girl and one's worth more than the other, in pure commodity terms. I think probably in our society initial sex for women is usually pretty unexciting. It's something they're led into and something they want to do because the man wants them to do it. But it's not something they actually want to discover, and probably it's only after months or perhaps years that women begin to understand the real joy and the real gifts of a sexual life.

Lady Falkender
Political columnist

I was always being told when I was in No 10, you know, darling, this is the aphrodisiac of power. Well, I could never see

Leslie Ash
Actress

I've never gone for looks. I know people used to laugh at me when I went out with Rowan Atkinson — they used to call us Beauty and the Beast, which was totally unfair. Inside, he was the most beautiful man you could ever wish to meet.

Clare Short
Labour MP, Birmingham Ladywood

I like people who are very irreverent. It's because my life is so political. I couldn't fancy someone who had views and values totally different from mine. And then I like to be fancied.

Fiona Thyssen
Former wife of Baron Henri Thyssen

I have had some of the most unattractive boyfriends anyone could imagine. The only thing they have all had in common is that they all hunted me, hunted me.



I would like to see what would happen if women were conditioned to explore their sexuality. I would love to see what would happen if someone were to set up a brothel full of glorious, wonderful men. Both sexes are able to feel and explore and exploit their sexuality in all areas. You can have all kinds of different experiences within one relationship, or with other different relationships. Sexual needs are the same for men and women. The pursuit is pleasure. The pleasure, as far as I can understand it, is equal for both.

Pamela
Armstrong
Television presenter

where along the line, some woman has damaged them or their own sexual image of themselves, and they can't recover. A man's sexuality is an incredibly fragile thing.

Gloria Steinem
Journalist and feminist

I don't think there's really a big difference in men's and women's sexual needs. After all, the sex organs essentially come from the same cells.

Jenny Seagrove
Actress

To be aroused is a mental procedure, and it generally comes from feeling wanted.

Mary Quant
Fashion designer

The worrying thing about sex is that the design of it is disturbing. It does tend to encourage the male to overwhelm the female, and the female reaction tends to be to want that to happen. The actual design has a flaw in it that brings on, at its worst, violence — which is, of course, now one of the most difficult things about sex to deal with.

Marina Warner
Writer

Now that I am about to be 40, I do look at young men in the street and suddenly understand what men feel when they say, so many women, so little time. I suddenly thought... I saw these young men whom I would never know, whereas, when I was 17, I imagined I would have lots of experiences. Now I know I will never have all these experiences and I did feel that poignancy. So many men, so little time. Time has gone.

Women by Naim Attallah is published on October 22 (Quarter, £15)

'Gentleness is seductive'

Joan Bakewell
Broadcaster

I had a brief kind of passion for Galbraith, the economist, who is all elbows and long limbs, and I do remember sitting watching him doing a programme. He was holding forth and I remember saying, just look at that beautiful man.

Carmen Calli
Publisher

I go for a sense of humour I think, and in my youth, power. I'm much less interested in power now because I've got my own. I've always liked weak men.

Amy Gross
Journalist

Given a choice between Henry Kissinger and a poor, young but brilliant talented artist, I would go with the artist any time.

Angela Janklow
Writer

I am seduced by the unknown. There has to be something, some look in the eye. There is this guy I see once in a while who has got a chipped front

tooth, but that chipped tooth makes him perfect. Because it makes him imperfect; that's really compelling.

Margaux Hemingway
Actress

Gentleness is very seductive; it's the killer. Money is also very attractive. I know of some very rich men who are not very good looking, but they become very good looking all of a sudden.

Maria Aitken
Actress

I rather like men who are sensitive and who are funny, who have nice eyes and not too big a bottom.

Anita Roddick
Founder, The Body Shop

The only time I am ever still, absolutely still mentally, with my heart beating, is when I listen to somebody like Laurens van der Post. I think there is essential goodness there, and that's such an attraction.

Mary McFadden
Textile designer

The stupider they are, the



Leslie Ash: 'I've never gone for looks. People used to laugh at me when I went out with Rowan Atkinson'

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THE ARTS

Blank screen

Digital computers have been central to the reference-kitty of our everyday lives for so long that it requires a conscious effort to recall the flavour of the preceding age. What, for example, used to be the standard excuse for gross inefficiency in office life in the days before the sportive microchip fell like manna? And how did television proceed without benefit of the trivially mesmerizing hokum of computer graphics?

Equinox: Anything You Can Do (Channel 4) grieved itself on flashy computer-generated images — most significantly, that of Rodin's *Thinker* metamorphosing into what appeared to be a Professor Brainstawn robot lavatorially enthroned. It needed constant reiteration to reassure the

TELEVISION

viewer that its theme was indeed artificial intelligence and not artificial something else.

The remarkable thing about advanced technology is how backward it is. Though at times resembling an edition of *Tomorrow's World* that had been hijacked by *Arena*, this muddled excursion did not try to dazzle. Almost apologetically, cyberneticists queued up to bewail the problems attendant on constructing robots capable of performing elementary tasks of identification. From one angle this may have looked like modest pragmatism; then again, they may simply have been lobbying for increased development grants. Faced with such deflation, the programme could hardly pursue the Frankenstein scenario, and fell back on tawdry jokiness.

Taking a break from advertising cigars, Stephen Fry did his usual young-buffet bit by pitting his logical skills against a games-playing computer. This proved nothing: he won by virtue of superior mundane knowledge, not through human intuition.

Perhaps the time to start worrying about computers will be when they start worrying about us. It took your reviewer a year of using the portable computer on which this column was written to discover (accidentally, not heuristically) the machine's express functions. The screen has yet to betray its innate superiority by so much as a sneer.

Martin Cropper

In the swim of things



Next week brings *Stills*, a new book of pictures

by Lord Snowdon, who

tells John Higgins how

it all came about, and

in particular of his

liking for the balletic

natterjack on the left

Lord Snowdon's last collection of photographs was called *Sittings*. Beatrix Miller, his editor at *Vogue*, thought it a rotten title and on publication day sent him a card showing a chicken laying an egg. Whether she will give more approval to the name *Stills*, which brings together Snowdon pictures taken over the last three years, is not yet known. Perhaps a rather more appreciative postcard will come through the letterbox on publication day next Thursday.

The current selection is very artfully arranged. Lord Snowdon's own family and various Royals make up the opening and closing pages. In between fashion rubs shoulders with film, peasant with prince, or at least the princely — Nureyev looking exceedingly autocratic in a broad-based armchair in his Paris apartment. Then, just when formality is beginning to creep in, the sequence is broken by shots of natterjack toads, including one which looks like an amalgam of Sir Frederick Ashton and the late Robert Helpmann dancing the Ugly Sisters in *Cinderella*. It seems as though Snowdon has brought to the hardback the techniques of cutting a film.

"I hadn't thought of it that way, although it's a nice idea. The shape of *Stills* is conscious to me, but I hope subconscious to those who look at it. I confess though that I become furious when friends flick through it starting at the back. I do like assembling photographs, spreading them all over the studio floor and selecting. Also, having them in book form means the transparencies don't get lost. [There is little chance of that to judge from the meticulously arranged files in Snowdon's Kensington home.] It also gives one a chance to put in a few *Vogue* rejects."

The mock battle goes on. But it is indeed difficult to see why *Vogue* turned down an extraordinary full-length shot of the ballerina Alessandra Ferri or the David Baileys in a hallway requiring instant attention from the builders.

Only a minority of the photographs in this new collection could qualify for the description of a "sitting". It seems

as though Snowdon is moving away from the formality of the studio.

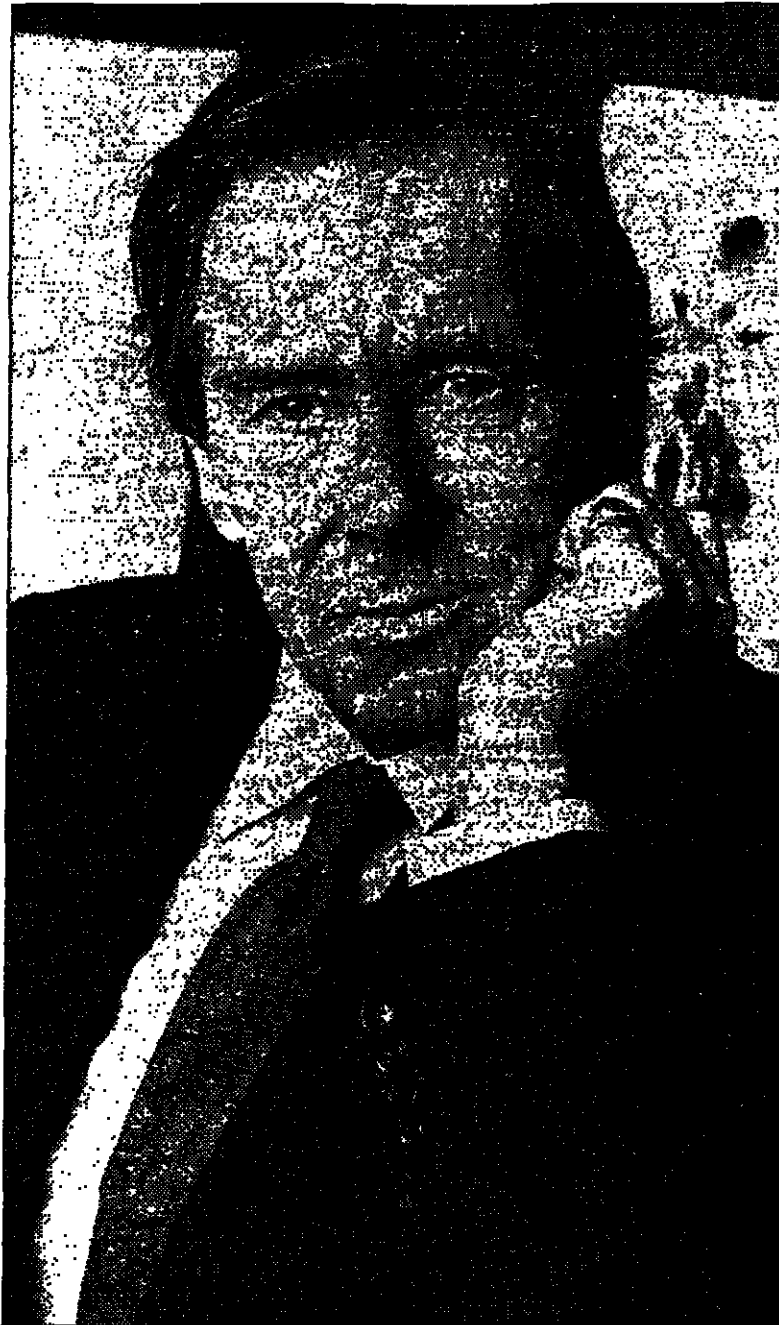
"Yes, that's right. The studio proportion is well under 50 per cent. And where I have used a studio I've tried to 'remake' it by cutting the background or by bringing in props. But you have to be careful about the latter. My whole house is, I suppose, a props department — you might rush upstairs for a scarf or a piece of material. But they are usually just a starting point. Who was it who said 'Never construct decoration, always decorate construction'?"

But the prop can be all, as in a rare picture of Cartier-Bresson, who perversely hates being photographed, topped by the beribboned straw hat of Snowdon's daughter, Frances. Quite often the decoration is flesh. A series of nude black male bodies support the female model for the Paris '86 Spring Collections. Snowdon sees them as "furniture: there should no eye-contact, no sensuality". Alan Bennett is shot in front of animal flesh, an abattoir's carcasses hanging behind him: curious until one picks up the reference to *A Private Function*, that Bennett film about a porker designed for the postwar dinner table.

One of the most remarkable sequences is propless: a series of character studies for the forthcoming film of *Little Dorrit* where the actors are placed singly in a dun-coloured corner of a room and emerge one by one like figures from a Spy cartoon or a sequence of cigarette cards.

Who for Lord Snowdon are the most difficult subjects?

"It is hard to capture those whom you admire greatly, like Laurence Olivier. Hard to work when you are surrounded by policemen, as happened with the Reagans. Hard sometimes to differentiate between someone's film or stage persona and their private life. Alec Guinness on a film set in character is the easiest subject in the world; try him at home in Pimlico and it is quite another matter. The natterjacks were not easy either. I had a call from *Vogue* one day to book a session in Sussex. It had to be Sussex because 'they' couldn't travel very far. *Vogue* always refer to the subject as



Lord Snowdon: "My whole house is, I suppose, a props department"

'they', so I was expecting a very ancient actress from Brighton. But instead there rolled up a professor with three natterjacks. They were most reluctant to perform, not least because of their hatred of a warm human hand near them, but at last with the aid of a tumbler they started to pose. No, I don't think the dancing natterjack looks like Fred or Helpmann. But he does remind me of a well-known politician and under no circumstances am I going to say which one."

It has been claimed that 30 years ago Snowdon changed the face of theatre photography. Did he?

"Well, did I? I think the person, or persons, irrelevant. I just happened to be there at the right time when everything was altering. The day of the formal press photocall, with selected actors arranged on stage in

formal positions, was being questioned. I started taking actors out of the theatre. And it was made clear to me that my job was, with the aid of a huge front-of-house blow-up, to get people off the buses and into the box-office. Not everyone liked it. I remember Gwen Frangon-Davies carefully removing one of my portraits and replacing it with one by Angus MacBean. Fortunately he was my great mentor in the theatre photography."

And so to the *Desert Island Discs* question. If the great tidal wave were to wash away all the photographs in *Stills* but one, which would Tony Snowdon keep?

"Oh, the natterjack."

Why? "Because he could swim."

Stills is published by Weidenfeld and Nicolson next Thursday at £15.95

Ten little giggles

THEATRE

And Then There Were None Duke of York's

Agatha Christie's elimination comedy, formerly known as *Ten Little Niggers* and frequently regarded as a thriller, shows what a master of laughs the dear old Queen of Crime could be, even without trying. Particularly without trying, for her deliberate attempts at jokes are pathetic.

Yet what miracles she could work with the simplest material. "We mustn't forget there's a dangerous homicidal maniac on the island" seemed funnier every time it was said, which it regularly was, when Niggers, sorry, Indians, no, 10 little travellers they have dwindled to in this version. And when the mean old spinster is found stung to death by a hypodermic symptoms of hysteria were evident in the stalls.

I fear the gallant management has been taken in by the play's reputation and announces it as a "classic thriller". It was probably so

described when I last saw it, many years ago, performed by the local Island Revenue Dramatic Society in a church hall in Thames Ditton. My late Aunt Margaret played the spinster, and when the needle was found in her I was child enough to be duly thrilled. Christie is ideal for amateur actors, because all they have to do is catch on to their character's single trait. Provided they remember which of her plays they are in (always a problem, I understand), they need act no more.

So what are all these experienced actors doing in this creaky old play? Rodney Bewes being common, John Fraser precise, Jack Hedley, nervy, Miriam Karlin in fine rasping voice? They are doing the equivalent of *Hamlet* on ice. They are breaking the mould. Never for one instant do their misdeeds thrill but oh, how the archaic dialogue gets laughs.

The set (by Robert Jones) is a marvel of marquetry and stained glass. The scream comes in Act II. At the very end the sun, rising where it set in Act I, bathes the stage in light. They did not manage that in Thames Ditton.

Jeremy Kingston

ROCK

John Fahey Town & Country

Twenty years ago, the idiosyncratic American guitarist John Fahey was the sort of chap who could find himself being written up in *awed* tones in publications like *International Times* and the *East Village Other*, his records to be found stacked in hippie tastemakers' pads alongside those of the Velvet Underground, Tim Buckley and the Incredible String Band. Like a lot of survivors from those days, Fahey finds that his time has come around again, and not merely as the man whose rustic instrumentalism were among the principal inspirations of the New Age fad.

He made his first appearance in London for many years on Monday evening under the banner of "Crossing the Border", a festival devoted to what is currently known as roots music (the Canadian singer Bruce Cockburn has been among the attractions, and various African ensembles can be heard tonight and tomorrow). Those who have not followed Fahey's progress, but who still cherish such recordings as *The Yellow*

Princess and The Transfiguration of Blind Joe Death, will have been reassured first to discover how little his music has changed.

For anyone who does not know his work, it might be helpful to suggest that Fahey is a sort of pre-electric Ry Cooder. A terminally unfashionable figure in rumpled T-shirt, slightly flared jeans, trainers and a murrey greying beard, with a habit of addressing his audience like a character from one of Cheech and Chong's old pot-head routines, he settled down with his jumbo guitar and began to pick out tunes in that familiar and unique style, poised between the Delta blues and Appalachian dulcimer tunes.

Using both fingerpicking and lap-steel techniques, the music ebbed and flowed from the dugged ("Are You From Dixie?") and occasionally faltering (a waltz involving Negro spirituals and "Old Man River") through the somnolent (an Artie Shaw tune, "Nightmare") to the near-inspired, such as an unnamed piece in which the dry twang of his tone blended perfectly with his most characteristic rhythmic gait, the purposeful jog of a horse-drawn buggy on its way to market.

Richard Williams

Down a tomb of the mind

OPERA

Werther Coliseum

The Victorian revival continues. As if obsessed by an age in which we perhaps see our own mirror-image, the Eighties will shortly be remembered as a decade as cluttered with late 19th-century stagings as any Victorian parlour was with bric-a-brac. Keith Warner has now presented us with a Victorian *Werther*, and it is a compelling, if necessarily claustrophobic, piece of stagecraft.

English National Opera decided to mount a new production rather than a revival of the 1977 *Werther*, on the basis that a shoeing staging would cost little more. And Warner ties that shoeing tightly to his purpose. The world of this *Werther* is a black void: Stefanos Lazaridis has designed a single, all-enveloping wall, punctured by tiny high windows and doors which seem to shut far more often than they open.

The image is of a tomb of the mind of one who is more than half in love with a dead woman; it is also, externally, the prison of the patriarchal housewife in which woman is dragged along on the leash of male desire and duty. Werther wrenches Charlotte away from her grief for her dead mother; Albert (Steven Page), at the end, pulls her brutally away from Werther's corpse.

The context is justified — the German romantic novel did, after all, work potentially and thoroughly on the Victorian mind — and Warner carries it through in relentless detail. This means we are treated to visions of Werther's divided mind and of his troubled subconscious at every free orchestral moment. The overture reminds us that the bride wore black: the entrance between Acts III and IV, just before the suicide, offers cameo photo-groupings, striking in their resemblance to the early daguerotypes. The family group with candles and the ghostly bride are



Ann Murray: an agonized portrayal of a woman who needs saving from herself

straight out of *The Castle of Otranto*, and Alan Burrett's lighting plays a superb part in their realization.

Warner draws from Ann Murray an agonized portrayal of a woman who needs saving from herself every bit as much as does Werther, and who finds release from the total repression of her life only in her final declaration of love. It all makes for an evening of coherent and often gripping theatre, buoyed up by the performances of Ann Murray and of Arthur Davies, who phrases Massenet's music as vividly and sonfully as if it were in French and not in Norman Tucker's awkward translation ("Tis I she could have loved": ouch!).

The weakness of such an oppressively "meaningful" production is that, in providing so clear a perspective, it robs the work of its own. No sunlight is allowed to shine its ironic beams into Act II; no Christmas glow is permitted to cast its own shadows of grief. Cathryn Pope, both vocally and physically a born Sophie, is suffocated by the darkness; and, were it not for the entirely committed and trusting conducting of Mark Elder, so might we be.

Hilary Finch



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BBC

CONCERT

Nash/Benjamin Gulbenkian Theatre, Canterbury

The composer George Benjamin, the Canterbury Festival's musician-in-residence, is no less ardent an advocate of others' work than his own. Here he conducted the Nash Ensemble in five pieces, introducing two of them himself and inviting the composers of the rest to step down and talk about their own compositions to an eager audience of a blissful mix of ages.

Almost as if to set his seal of approval on proceedings, the concert began with Boulez's *Memoriale*. This poetic work is a development of a section from... *explosante-fixe*... for flute, six heavily muted strings and two muted horns, seen among the attractions, and various African ensembles can be heard tonight and tomorrow). Those who have not followed Fahey's progress, but who still cherish such recordings as *The Yellow*

tolerate. Happily the second performance came across like a whisper on the wind.

The spirit of the young but fortunately alive characterized much of the rest of the programme. John Buller's luxurious *Of Three Shakespeare Sonnets* (sung radiantly by Linda Hirst) apart. There was David Collins's Quintet for clarinet, string trio and piano, a score whose exploitation of what the composer himself called a naive idea — the first three notes of a diatonic scale — was exuberantly resourceful and, in its drive to a higher, static plain, purposeful too.

Then there was the world premiere of Peter Paul Nash's *A Silent Shower*, a simple, concept ("Imagine looking through triple-glazing at a heavy shower outside: what would you hear?") made into a rhythmically complex, relentless score. And there was the French-Canadian composer Denys Boulianne's intriguing *Comme Un Silène enroulé*, a work about stylistic illusions that eventually, through its antiphony of low and high and the distorting mirror of recorded sound, achieves a purity that lies subliminally within a veneer of decadent jazz.

Stephen Pettitt

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THE TIMES DIARY

Rogers and out

Three of our most celebrated authors, Salman Rushdie, Bruce Chatwin and Caryl Phillips, have deserted their literary agent Deborah Rogers for the rival Aitken & Stone. The defections have created a wave of speculation in publishing circles — in particular over who will publish Rushdie's eagerly expected next novel, *Liz Calder*, brought out by his last, *Shame*, for Cape before leaving to start Bloomsbury, currently celebrating its first anniversary. Calder fosters close working relationships with her authors and it had long been expected that Rushdie would follow his fellow author Paul Bailey in joining her at Bloomsbury. Calder, however, is also a personal friend of Deborah Rogers and may take a dim view of Rushdie's desertion. With rumours that Aitken & Stone are looking for a six-figure advance, Rushdie may now slip through Bloomsbury's fingers. The Rogers agency, which handles big names like Bailey, Ian McEwan and Angela Carter, was this week unable to come up with an explanation for the exodus.

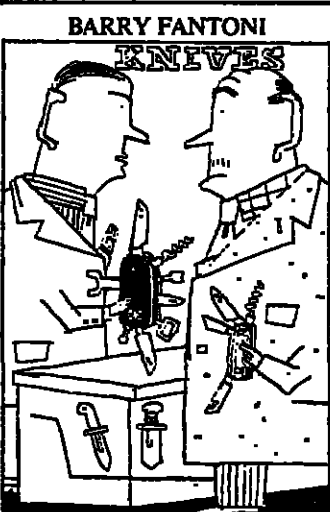
Trade deficit

Lord Whitelaw yesterday blew the gaff on why last year's Sunday Trading Bill, though it fell in the Commons, survived the Lords. At a Bow Group meeting in Blackpool he admitted that the government had feared the Lords would defeat it in the Upper House. The bishops, however, never quite got their act together, he said. With having to enrobe for the debate, they were simply not ready in time.

● A lunch for Mrs Thatcher's Flinchley constituents at the Imperial hotel during this week's conference revealed hitherto unknown domestic skills in the Prime Minister. When waiters failed to appear after the first course to remove the plates, with-out further ado she leapt to her feet and piled all 10 along her arm.

Thrilling

Michael Dobbs has not been idle since stepping down as chief of staff at Conservative Central Office after the election. Besides returning to Saatchi & Saatchi as director of corporate affairs, Norman Tebbit's former right hand man has also embarked on his first book — a political thriller of unusual topicality. It concerns the battle for succession to the Tory leadership, a matter exercising one or two minds in Blackpool. The central character is a Machiavellian figure of rare nastiness, but, insists Dobbs, not bearing any resemblance to politicians living or dead. With 30,000 words under his belt, he's hoping to complete the manuscript by Christmas before seeking a publisher.



And this one has a gadget for getting votes out of the electorate

Fallen star

Labour's flight to realism is not confined to the bracing air of Brighton. A leaked memo from Anne Matthews, the once hard-left leader of London's inner-city Southwark Council, reads at points like the work of Nicholas Ridley. Admitting that creative accountability has been exhausted, she says it is better to operate within government spending limits than lose control of the town hall. She goes on: "The money spent in many areas is wasted. The services are demonstrably poor and give no reason why people in Southwark should trust the Labour party." Can it really be only 18 months ago that Anne Matthews strode to her leader's place in the council chamber sporting a crew cut shaved into the shape of a star?

Enfant terrible

The Royal Shakespeare Company has postponed its autumn production of Genet's *The Blacks* after director Charles Marowitz refused to use the translation prepared by the Nobel prize-winning author Wole Soyinka. Marowitz, who has now returned to Los Angeles, tells me: "Soyinka's translation was a free-wheeling adaptation. You can do that with Shakespeare; he's been dead for 400 years. But it is not fair to a contemporary playwright." Though Marowitz claims he and RSC director Terry Hands are "at one" over this, the RSC yesterday said that the script was only one factor in the postponement. It would certainly be using the Soyinka translation next spring. For the way Marowitz was speaking yesterday, I suspect he will need some persuading to remain the play's director.

PHS

How to treat with Rabuka

by R.W. Johnson

The crisis in Fiji presents the Commonwealth heads of state who meet in Vancouver this week with a number of questions, none of them new in themselves, but in a combination not precisely experienced before.

There is no point in appealing to law: the Commonwealth has been on shaky legal ground since 1947 when Nehru came to London to acclaim the King and then returned home to boast that India was free of royal tutelage. So the Commonwealth is now based on precedent and sentiment, not on any set of rules or principles.

We cannot expel Colonel Rabuka's regime simply because he is a military dictator, for we have allowed that often enough. Nor is there any axiomatic rule that we don't allow racist regimes — South Africa was a member for half a century after 1910 and we did nothing about Ugandan or Kenyan membership when they brutally expelled their Asian citizens, or about any number of African regimes which have practised tribalism up to, sometimes beyond, the point of genocide.

Tanzania remained a member even while it was militarily invading another Commonwealth state.

Uganda. Uganda itself remained a member throughout the Amin terror — the only rule governing Commonwealth conduct in the matter apparently being that Amin himself must not be allowed to attend a Commonwealth function where he might dance with the Queen.

Meanwhile, we put up with all manner of antics in which states threaten to withdraw (but almost never do), in which Britain itself is from time to time threatened with expulsion, and where we are cajoled to apply sanctions against South Africa by states whose own commerce ministers are simultaneously visiting Pretoria with a view to expanding their own South African trade.

Colonel Rabuka's regime, however, seems likely to be dictatorial, oppressive, erratic and racist. The one real rule the Commonwealth does have is that a member state which accedes to republican status must re-apply for admission, so it is a straightforward matter to deny Commonwealth membership to the new regime.

The Rabuka regime is not only

odiously undemocratic but seems likely to adopt an officially racist attitude to about half its population who, moreover, hail from the biggest of all the Commonwealth states. Quite how Buckingham Palace comes to be making the running on this matter is an interesting question all on its own but, embarrassingly, we also cannot now avoid some such gesture unless the Foreign Office is willing officially to disavow the Palace.

It is not entirely pointless to cast the Rabuka regime into the outer darkness *pour encourager les autres*, and to do so will keep the Commonwealth on the side of the angels. This is by no means a negatory argument: Zimbabwe would not be a member now had we not shunned Smith's Rhodesia, and the fact that Verwoerd's South Africa also had to leave may one day lead to a black-ruled South Africa wanting to rejoin.

But to take such measures is also to take a bet against the long-term survival of the Rabuka regime. If we feel confident of its ultimate failure, then we have every reason to hasten it, not just

by diplomatic means but by economic measures. While it is illogical to be pushed into sanctions against Pretoria by African states that are not major trading partners of South Africa, Australia and New Zealand are different: they are Fiji's major partners and can be relied on to say what they mean and mean what they say. If both are positively keen on economic sanctions and are confident that this will end the crisis, Britain should give them strong support — which would mean getting other Commonwealth states to subscribe to such measures and warning off others (such as France) who might be tempted to exploit the situation.

The truth is that we pretty much have to do what Australia wants us to do; that it would be better to consort openly with those states over the matter rather than try to settle things with salves of communiques from the Palace, and that Downing Street should not worry too much about the South African analogy. The Commonwealth has already survived so much that it could surely survive some straight talking too. The author is a Fellow of Magdalen College, Oxford.

As Mrs Thatcher addresses the Conservative conference, Lord Hailsham warns that the radical urge must not lead the party to desert its traditions

The true Tory realm

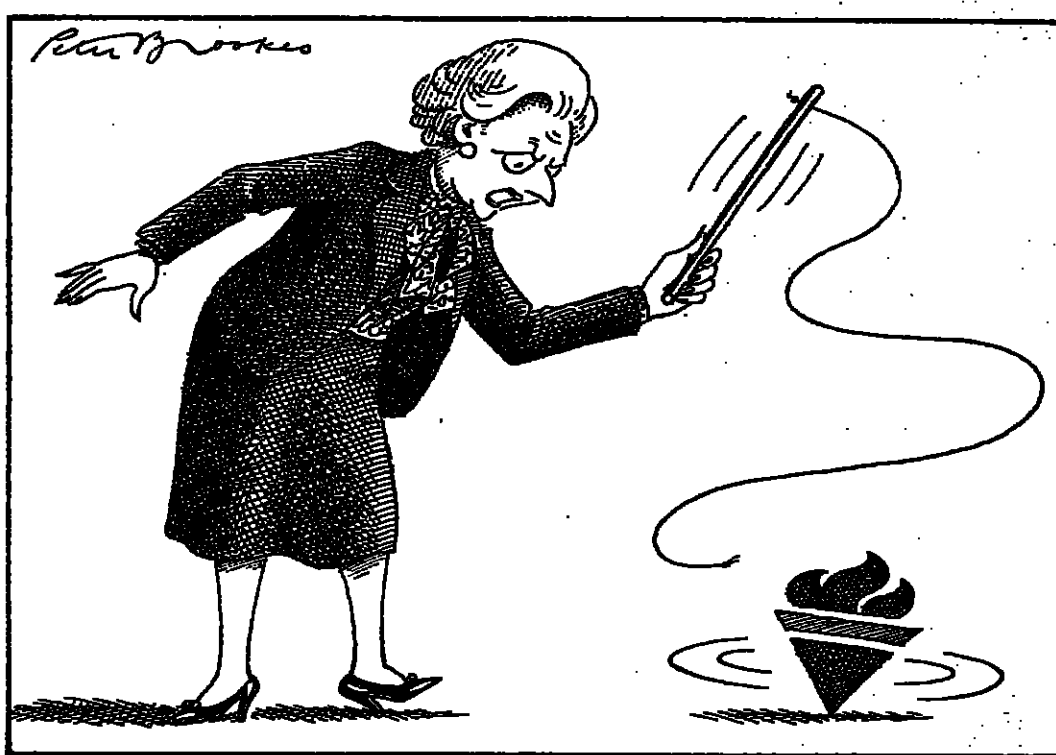
A political party is never in greater danger than when it has been overwhelmingly successful, since as Disraeli pointed out long ago: "No Government can be long secure without a formidable Opposition." Apart from the danger of over-confidence or at least complacency among the leadership there is, in the absence of the constant discipline of genuine political challenge, the danger from within of the various caves of Adullam which always operate among those denied the privilege of office.

To these obvious considerations a third must now be added. During the course of the past 12 years the Prime Minister has transformed the face of British politics. But she has done so at the cost of turning the Conservative Party into the party of genuine, and at times radical, reform; and this, after all, is not the traditional role of a conservative party of any kind within the body politic of a free nation.

This is obviously a perilous state. Conservatives are by nature sceptics. They are apt to distrust the spirit of the age. By instinct they are more likely to counsel caution than radical change. They are profoundly agnostic on the subject of ideologies. Indeed, it might be claimed that the very survival of the Conservative Party in Britain is because its wisest heads have sensed the weakness of successive radical movements, in religion in the 17th century, of individualist liberalism in the 19th, and of socialist collectivism in the 20th. The strength of Conservatism lies rather in its regard for tradition, in its insistence on procedural propriety in observing constitutional conventions, in its regard for experience, and in a pragmatic rather than ideological approach to contentious questions.

These considerations alone would seem to counsel a spirit of self examination rather than triumphalism. The reasons for Mrs Thatcher's astonishing success is not that she has caught the Whigs bathing and run away with their clothes, but that she has found the Labour movement totally without intellectual garments of any kind save those of the 1930s and, shunning the conventional wisdom of consensus politics and Harold Macmillan's "middle way", she has correctly analysed the true nature of the 20th-century aspirations of the British people.

She has made a reality of the property-owning democracy, first advocated it should be remembered as long ago as 1946 in the wake of the Conservative defeats. Britain is well on the way to turning a nation of shopkeepers, capitalists and trade unionists into a population of share owners, home owners, possessors of consumer durables, owner drivers and



telephone addicts. It would, I suppose, have been too much to expect the Labour Party to grasp these truths. But Mrs Thatcher can thank her lucky stars that the Alliance was too preoccupied with contemplating its own navel to understand the opportunity which this offered them.

The Prime Minister has no alternative but to forge ahead along the lines which since 1979 have proved such a success. It is, of course, necessary to seek to bring to Scotland, the inner cities and the north of England some of the sense of contemporary realities which has activated the consumer belt. But more of the same mixture is not by itself likely to prove enough to do the trick for the rest of her third successive term. The Conservative Party must, perhaps more than ever, ask itself seriously about its enduring role in public life.

The first thing is to persuade the party that there is a closer link of continuity between the Conservatism of the present administration and that of the past. Granted that Peel was the Macmillan of the Victorian era (he reconciled the Tories of his day both to Catholic emancipation and he reformed Parliament), in some ways Mrs Thatcher is the Disraeli.

Admittedly Disraeli was wrong and Peel right about the Corn Laws, but the man who said "you can have no Parliamentary Government if you have no party government" and "England does not love Coalitions" was no friend to consensus politics in the Butskellite sense. When he wrote: "The Conservative party is national or it is nothing", Disraeli meant something quite different.

He meant that a revived Conservative Party must strike a resonance in the tradition and spirit of the nation, much as Mrs Thatcher did in the Falklands affair. Disraeli believed that the popular Manchester school economics and libertarianism of his day were being false to older ideas of respect for national tradition and lawful authority.

There is therefore nothing wrong or "divisive" in the politics of effective choices, provided that the choice presented identifies the right issues of policy upon which to conduct the argument. These are issues quite apart from the property-owning democracy which it is proper to raise.

The question of education is certainly one. While I do not decry the achievements over the past 40 years of the provided system, we have to some extent succeeded in providing our youth with a spiritual desert and have exalted egalitarianism into the worship of mediocrity. Another obvious theme is the rehabilitation of the rented sector in housing. We cannot all be members of the home owning democracy for the whole of our adult lives.

It is also true that while restraint in public spending must remain a central theme, there is scope for greater realism in calculating the real returns on investment in roads and a coherent policy of maintenance and renovation of public facilities. There is nothing unconservative or unconventional in a policy for sewers.

I believe there is a genuine field for initiatives in the field of foreign affairs. Though I have no use at all for the anti-Americanism of the left, I believe there is scope

for revived Anglo-Franco-German co-operation. I rather suspect that, however on our guard we must be, our long-term aim must be to coax the Russian leadership back into the concert of nations for the preservation of peace and the prevention of terrorism. I have long been haunted by an adaptation of Lincoln's phrase to make it read that the world cannot long endure if it remains half slave and half free. As the Reagan era draws to its close, and the candidates for the Democratic and Republican nominations appear less and less attractive, it is difficult to see from what quarter the free world is to retain its moral initiative if not from the permanent European members of the Security Council, with Britain in the van.

In this era of terrorism and thuggery the questions of law and order remain peculiarly a matter in which a Conservative government must retain the initiative and continue its concern. But Draconian penalties are not likely to provide a sole remedy. Improved court procedures and facilities, and a firm glance at our antiquated laws of evidence coupled with a rehabilitation of respect for honesty, self discipline, and the family offer a far more hopeful area for action.

Above all the Conservative Party must remember that it is not only the party of law and order, nor only the party of individual freedom, but the party of liberty restrained by regard for moral virtue, under a law remote from oppression because it is inspired by a regard for justice. The message, proclaimed loudly and clearly, should be the core subject of present-day political education.

Charles Bremner on an unusual spirit of optimism among envoys at the UN

Renaissance of a peacemaker

apply it elsewhere," he says. "We shall begin to have some minimum effective use of the UN when the permanent members agree to a list of security problems which are simply too dangerous not to co-operate on."

The immediate areas for co-operation are southern Africa and the Middle East, where moves are afoot to restart a long-dormant UN peace conference.

The new approach reflects big shifts in attitudes throughout the organization. The Third World, which asserted its majority control of the General Assembly in the 1970s, has acquired a new moderation and realism, not least because of the failure of Marxist-inspired models and the rebirth of market economics. The assembly would be unlikely now to adopt a vote such as its 1975 resolution which equated Zionism with Fascism. This caused the US to withhold crucial funding and, with

Britain, to withdraw from Unesco. Late last year the UN reformed its finances, giving the US more say in spending. The Reagan Administration declared victory and began displaying an enthusiasm for the organization. The White House is now pushing Congress to unlock funds previously blocked. After the disaster of America's own peacekeeping effort in Lebanon, Reagan seems to have found the UN more useful than he had thought.

Perhaps the biggest shift has come from the Soviet Union. After years of opposing or staying aloof from peacekeeping activities, Moscow recently began paying its share for forces flying the UN flag, beginning with the interim force in Lebanon in 1986. Last month Mikhail Gorbachev published what is seen in the UN as a watershed article praising the UN's peacekeeping efforts. This was censored by a speech by his

foreign minister, Eduard Shevardnadze, to the General Assembly two weeks ago calling for a UN force to protect Gulf shipping.

Soviet officials are now reported to be broaching the idea of reviving the long-defunct military staff committee. This was proposed in the optimistic post-war days as a joint command to direct the forces of the five powers in combined peacekeeping operations, but fell foul of the cold war.

Many Western experts are suspicious that the Soviet intention is merely to use UN machinery to advance its own interests. Others point to Soviet actions that appear to show a new belief in UN authority, among them the Kremlin's decision to call in the UN Atomic Energy Agency immediately after the Chernobyl explosion.

Urquhart, like other UN advocates, thinks an era of superpower rapprochement could be the stimulus the organization needs to get it back to managing world security after decades of ineffectiveness. UN critics still abound in America, but a growing body favours the idea that an imperfect world organization is better than none. As Dag Hammarskjöld, its most visionary secretary-general, said: the United Nations was created not to bring mankind to heaven, but to save it from hell.

Peter Jones

Hidden victims of Aids

When the £60m plant at Elstree, Hertfordshire, begins next year to produce the blood-clotting agent, factor VIII, it will be too late for the majority of Britain's severely affected haemophiliacs. For today, mainly through using material imported from the US rather than manufacturing our own, an estimated 1,200 (60 per cent) of those with severe haemophilia in Britain have Aids antibodies. By the end of last month 60 had developed the disease.

The extraction of factor VIII from human blood plasma and its use as a replacement material was one of the most dramatic post-war advances in medical treatment. By the early 1980s people with haemophilia could expect to lead a healthy and active life of normal length. Severely affected children competed with their peers in normal schools and adults were holding down jobs in competitive business and industry.

These improvements in the quality of life for haemophiliacs and their families were achieved at little economic cost to the government and were more than repaid by reduced reliance on state benefits and expensive in-patient services.

In October 1976 the then Health Secretary, Dr David Owen, announced that Britain would be self-sufficient in factor VIII by the following year. But 11 years later this much repeated promise has not been fulfilled. Only 20 per cent of Britain's factor VIII requirement is now being met by the National Health Service.

The decision taken in the 1970s to import factor VIII manufactured from the plasma of paid donors in North America, rather than rapidly expand the service in Britain, has cost us dearly both in human and economic terms. In 1982 it became clear that the human immunodeficiency virus (HIV) could be transmitted via blood. Tests in 1984 showed that many patients who had received factor VIII prepared from multiple plasma donations had been infected, most from commercially prepared, imported products. Of those, 45 are now dead.

The extent of human misery behind these figures is appalling. As we move further into the epidemic, more and more of those affected are showing signs of HIV-related disease. Infected young children are failing to grow. Adolescents are having to grapple with sexual development in the knowledge that sexual intercourse could infect their partners. Young adults know that they risk delivering infected babies. Those who marry cannot insure their lives or obtain mortgage endowment policies for the family home. Older men fear for the future of their widows and dependent children as their career prospects disappear, and they live with an uncertain prognosis of premature death.

The saddest thing of all for our society is that this is a disaster

hidden from public view. Parents are fearful that infected children will be rejected in school or encounter difficulties in forming normal relationships with friends. Those in employment are not only hiding HIV but the fact that they have haemophilia, fearful that the association between the two conditions in the public mind will lead to their being shunned by workmates and customers, even to dismissal. Those who become ill try desperately to maintain the standard of life for the family.

The majority of these people were infected in the early 1980s, before the virus was identified, and before measures were taken to screen individual donations of plasma and to heat-treat the factor VIII concentrates made from them in order to eliminate the risk of further infection. Legal opinion in this country and in the US is, therefore, that there was no negligence by prescribing doctors, or by health authorities or by companies which manufacture blood products for the treatment of the haemophiliacs.

On Tuesday the Haemophilia Society's campaign for recognition and help is being launched in London. The main thrust of the campaign will be to secure assistance for those infected by their medical treatment. Finance is needed in order to protect the family home, perhaps through state help with insurance, and to provide allowances for widows and dependent children or elderly dependent parents. For the patients themselves, those who have to cope with HIV infection and its associated problems, the society is asking for realistic, non-means tested, and confidential health-related benefits.

Those of us who have spent most of our working lives helping families with haemophilia are conscious that our patients became infected as a direct result of our prescriptions through the NHS. As health care staff, we have to maintain our objectivity and try to stand back from the misery this treatment has inflicted. That objectivity is harder for those who taught many of the patients to give their own treatment, for the wives who injected their husbands and, most poignantly, for the parents who gave the contaminated injections to their children.

At no time in the history of medicine has the treatment of a life-threatening disease resulted in the infection and premature death of so many of the people it was meant to help. To us and to our patients factor VIII was the equivalent to vaccination; its prescription enabled them to stay well. Its former contamination is now killing them. The members of the Haemophilia Society think that the government has a responsibility to provide them with urgent help. There can be few people in society who would not agree with them.

The author is director of the Newcastle Haemophilia Centre.

however . . . Henry Stanhope

Puritans in pinstripe

"Caroline darling, Hel-lo."

"Jane darling, hel-lo."

"I say, what a simply smashing new coat. You have been splashing out I'm frightfully envious."

"Thank you, darling. Yes, it is rather chic. Terrifically expensive of course. But Nigel insisted."

"Nigel? Gosh, I didn't know he was interested in women's clothes. Ha-ha-ha."

"Well, not really. Ha-ha-ha. But he's gone all funny since he read about that man Heath who earns two-and-a-half million a year."

"Golly, I didn't know the Conservative Party paid that well. Didn't Mrs Thatcher sack him or something?"

"I don't think it's that Mr Heath, darling. Anyway, it's made Nigel terribly cross because he isn't getting half as much. You know how jealous he gets . . . so he said we must keep up appearances in case anyone suspects — and practically kicked me out of the house to get some new togs, ha-ha-ha."

"Well, lucky old you!"

"Well, I just mind you, he's gone terribly odd in other ways. We've even given up our car because he said it was a perk."

"I thought it was a Jaguar."

"No, silly, I mean he said it was a perquisite, a tax dodge, which was upsetting the working classes and 'inhibiting the team spirit we need to get Britain back on the road'. Ha-ha-ha."

"Gosh."

"Yes, I tell you he can be too pompous for words when he wants to. He's actually started catching the train to work."

"Catching the train to work?"

"Absolutely. I told him that if he brought any germs into the house just before the children return to school, Nanny would box his ears. Ha-ha-ha."

"I bet that scared him."

"Yes, and the poor dear got into a frightful altercation with some man on the first day because there wasn't any first class and he'd had to stand. Then, when he complained, this ticket collector said he'd had enough of people like him thinking they owned the country — which Nigel thought was a bit rich really. Oh, I don't know, men can be so tiresome!"

"Expect he needed a few drinks at lunchtime to get over the experience. Ha-ha-ha."

"Well, no, actually, that's an-

other thing you see. He drinks nothing but Perrier midday now and eats in the office canteen."

"Eats in the canteen?"

"Yes! You wouldn't believe it. They built this super executive dining room in the penthouse . . ."

"Marvellous view of the City — well, marvellous view of the NatWest tower anyway with bottles of Chateau St- something, waiters at room temperature, silver cutlery, double damask napkins . . . and Nigel and his chums are queuing in the basement for cod and chips!"

"Really? I don't believe it!"

"My dear, it's absolutely true. Nigel said it makes them feel at one with the workers. It's some Japanese idea or something . . ."

"How extraordinary!"

"Isn't it? Especially as that little Japanese man who lives next door — Old Tojo we call him — seems to travel to work in a chauffeur-driven Rolls and comes home looking distinctly well-fed. Nigel comes back starving and in an exceedingly bad temper."

"Well, it's jolly noble of him, you have to say."

"Yes. Except that the workers don't eat there at all. I was talking to our cleaning lady the other day. Apparently her husband works in the same office, and she said he wouldn't eat in the canteen to save his life. They all go to some restaurant round the corner where they have a 'very nice 'ouse wine' as she put it. Funny enough, Nigel keeps wondering why the canteen is half-empty. Ha-ha-ha."

"Ha-ha-ha. He'll end up with an ulcer if he goes on like this. And, don't tell me, he's given up Bupa?"

"Of course. And, as you know, he's a terrible hypochondriac. The other day he called on the local quack, who kept him waiting for half an hour, then grunted, gave him some pep pills, and more or less said that it was people like Nigel who were ruining the National Health Service!"

"On no!"

"Well, I must say, it was a bit much. Then he went up to hear the party debate on law and order (you know his views on all that) and was strip-searched by the police on suspicion of carrying drugs! Nigel was livid."

"Poor sweet! Ha-ha-ha."

"Well, not poor exactly . . ."



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WAYS TO HEALTH

Every year at the Conservative Party conference there is a procession to the rostrum of voluntary workers, doctors and nurses, teachers and local councillors, who testify from their own experiences to their concern for the needs of the services with which they are involved. This year was no exception. If, by any chance, the Government were to yield to theoretical market zeal in such a way as to damage the basic concept of the Health Service and State pension provisions, it would have its own party to reckon with.

The new Secretary of State for Health and Social Security, Mr John Moore, has been encouraging new thinking about the provision of health care. His first task at the Tory Conference yesterday, therefore, had to be to make clear the Government's commitment in principle and practice to the NHS and to the purposes for which it exists. This he did in part by reading from the Churchill Government's undertaking in 1944 to establish a comprehensive health service to ensure that health care did not depend on ability to pay. He could thus acknowledge that the British people had wanted the NHS in 1948, and has supported it "passionately" ever since, without conceding Labour's claim to be its only begetter.

Of course, public support for the only system that was on offer in 1948 does not mean that, even then, this was the best way of fulfilling the Churchill Government's commitments. An NHS founded on a genuine insurance basis would almost certainly have achieved the same ends without the constant and unsuccessful straining after resources necessary to cover the commitment effectively.

What is still needed are new ways of drawing greater resources to health care. To the Conservatives' political opponents pouring more State money into a monolithic and monopolistic NHS is the only respectable way of meeting the ever increasing costs which, as Mr Moore described, are the inevitable consequences of expensive medical procedures undreamed of in 1948. The trouble is that State money comes from taxpayers who do not necessarily see the connection between the tax

they pay and the quality of health care they receive, and are therefore reluctant to pay more.

Mr Moore and his colleagues will have to think this one out for themselves — without help from their opponents. In his speech yesterday he gave no details of his intentions. But he spoke of the need to save money as well as lives by better preventive medicine; of a healthy economy as the only way of providing the resources; of value for money and above all of getting away from the idea that the NHS was created whole and perfect in 1948.

The Health Service must indeed evolve. The broad directions indicated yesterday were more contracting out and, in particular, an extension of the already existing co-operation with the private health care sector by which NHS operations are already done in private hospitals.

Mr Moore's wish to see the private and public sectors "less divided" could be a constructive way of moving forward without sacrificing the principles he laid down that health care must not be dependent on ability to pay and that the NHS should not be for the poor alone but for everyone. You do not, as he pointed out in a television interview, choose to be ill, and he was right to make it clear that his recent remarks about dependence eroding self-reliance refer not to the NHS or to pensions but to the benefits system.

The gradual increase of the private health sector would certainly encourage individual responsibility and diminish dependence, and if private hospitals doing NHS work could give better value for money than the NHS quasi-monopoly does, that could encourage a growing role for them to be used by the NHS. Between the lines of Mr Moore's thinking seems to be an idea of two systems working side by side, with a gradually increasing number of individuals having the choice between them. It has a certain resemblance to the thinking on education and enhances rather than diminishes the commitment of 1944. Yesterday, Mr Moore offered only broad principles; he must now find ways of applying them.

THE DUTY OF MR GANDHI

The massacres in Sri Lanka have brought the island's fragile July peace accord close to collapse. From the outset sceptics had predicted that the Indo-Sri Lankan treaty would be short-lived and the peace which it ushered in, illusory. Yet it survived two months, and last week, following the Tamil Tigers' final acceptance of its terms, it seemed that it might just pull through. But this is no longer the case. The question now is whether any hope of a peaceful resolution of the conflict, at some future date, can be kept alive.

The recent violence is a direct product of the tensions underlying the Tamil guerrilla groups' reluctance to accept the settlement terms determined by President Jayewardene and India's Prime Minister, Mr Rajiv Gandhi. Collectively, they are apprehensive of their future position once peace and politics have been restored, whilst the Tigers, specifically, are eager to preserve their dominance. Finally, the whole Tamil community worries whether it can win the referendum to be held by the end of next year to determine the future of the newly merged north-east — the prize which the peace accord offers them.

The Tigers' determination to remain the dominant group led directly to the internecine fighting between the various guerrilla organizations. As that was an intra-Tamil feud, it did not of itself endanger the fragile accord. Once it became clear that the Tigers had secured their position, however, they turned their attention to ensuring victory in the 1988 referendum. Their aim is to drive the one-third Sinhalese population out of the eastern province so as to minimize the opposition. That has at once threatened the peace.

This suggests that the immediate danger to the accord comes from the Tamil Tigers.

Although they are supposed to have laid down arms, they are known to have retained enough for their purposes — as has now been demonstrated. The only way to rein them in is for the Indian peacekeeping force to search for their weapons.

This requires a more active response from the 10,000 Indian soldiers, with the risk of alienating general Tamil sentiment as they crack down on the guerrillas. The longer this is put off, the more the violence will grow and the greater the threat of a Sinhalese reaction which could bury hopes for peace altogether.

The other threat to the implementation of the July accord is the strength of Sinhalese opposition. By some accounts southern Sri Lanka has witnessed an average of one death a day as Sinhalese protests have continued. The Buddhist clergy are vehemently opposed to the settlement, the Cabinet is still split over its endorsement and Parliament has yet to ratify it.

In the short term the future of the settlement rests with the Indian peacekeeping force. It alone can curb the Tamils — and that in turn will help President Jayewardene control his Cabinet and the Sinhalese community. Mr Gandhi's pledge to stand by India's commitment under the July accord and the decision to increase the peacekeeping force and give it shoot-on-sight orders, suggests that tougher action could be forthcoming.

This will not be politically easy for Mr Gandhi, who may find that his Sri Lanka policy loses him support from India's own Tamils at a time when his domestic popularity is already sinking. But it is a sacrifice he has to make if the promise of the July accord is to be realised. If he does, he deserves the gratitude of the international community.

THE PERK FOR THE JOB

If anyone remembers to check in a few years time, it would be interesting to chart the progress and behaviour of the CBI's group of young executives who have published a programme for action calling, among other things, for an end to the company car. Will they prove to be the Young Turks of British business, heralding a determined drive to change attitudes within industry and to the outside world? Or will they merely prove to be examples of the much-caricatured "yuppie culture", spouting fashionable ideas that will soon be forgotten when the up-and-coming reach more central positions of power and take on the colouring of their predecessors?

The group's ideas are not claimed to be original. The emphasis is on education and training for fast-changing businesses that have to compete in the world. They have also embraced the Japanese style of teamwork management, now familiar from Sunderland to South Wales, with its emphasis on eliminating class distinctions in favour of meritocracy at work. The only difference between the shopfloor and the executive suite, say the CBI's young team, should be in pay.

In principle, much of this would be uncontroversial to modern industrialists, or to Mr Eric Hammond. The committee breaks new ground in regarding these as the most important reforms British industry needs to help it prosper in the year 2010.

That poses problems. Eliminating perks would entail a revolution akin to conversion from sin. ICI boards tried long, but in vain, to introduce equal terms of employment for white and blue collar workers. They did not attempt to remove the chairman's Rolls-Royce.

In Britain, business has replaced the landed estate as the principal setting for class distinction. Business also provides the chief mechanism for the adjustment to the class system which the British have developed to make it tolerable: the case by which an individual can move from one class to another.

The lauded meritocrats are, often consciously, engaged on precisely this exercise. Perks are both the reward and proof of success and, most important, the means of demonstrating it to those who never stepped on the escalator of upward mobility or who have subsequently fallen off.

It is therefore hardly surprising, if a little depressing, that the reaction to the work of the young CBI team should overwhelmingly focus on the fate of the company car. The report also happened to emerge on the same day that a survey of executive pay showed that perks were increasing in importance.

Since Mr Nigel Lawson restored tax exemptions, share option schemes reserved for executives have been taken up with such enthusiasm in business that the typical senior executive can now receive more in perks and performance-related fringe benefits than in basic salary. Access to the executive lunchroom was not measured in the survey. But four out of five executives had a company car and almost as many free private medical care.

Most of the CBI's young meritocrats also have the symbolic company car. It is unlikely that the Sierras and Cavaliers, let alone more exalted models, could disappear through individual forbearance. Even a chairman who despised them would not care to disappoint his own executives, especially when they could obtain the desired perks from competitors.

It would, however, be quite simple for the Treasury to make tax changes to reduce this perk drastically without damage to the car industry. Such a measure might not attract meritocratic Government ministers — though it could appeal to car-less civil servants.

There is another compelling argument for change. To remove the choice of a car or medical care from the individual and give it to the company through tax incentives is no better than to remove individual choice to a public bureaucracy.

Tighter control in the prisons

From the Director of the Prison Reform Trust

Sir, The strongest argument for a fundamental review of the Scottish prison system is surely to avoid the sort of quick "solutions" evidenced in your own leader today (October 6). For in commending the English system of dispersing top-security prisoners you curiously ignore the fact that virtually all of these dispersal prisons have experienced a major riot or disturbance in the last 15 years. Indeed, following the report in 1984 of the Home Office's Control Review Committee, a whole range of measures have been set in train to try to reduce control problems in England's long-term goals.

While wishing these measures well, it has to be accepted that the underlying causes of discontent — allocation, grievance procedures, regimes — all remain critical. Moreover, both in England and Scotland the more restrictive parole policy introduced by Mr Leon Brittan in 1983 has removed a major incentive to good behaviour and actually increased the length of time prisoners must serve.

When the lives of prison staff are being put almost daily at risk in an apparently escalating spiral of violence, the Government's refusal to set up a review is itself an example of a siege mentality.

Two other aspects of your leader also struck me as rather odd.

First, your suggestion that the English and Scottish prison systems should be partially merged. The implication that prisoners in Peterhead who are protesting about the difficulties their families face in regard to visits will somehow be more quiescent if transferred to Albany or Parkhurst on the Isle of Wight is frankly bizarre.

Secondly, how could you write about the containment of violence within Scottish prisons without once mentioning the internationally renowned Bannockburn Special Unit? There, what you term "a group of the most vicious and violent men in Scotland" can spend most of their day out of their cells and have free access to

all sorts of potential weapons, including knives. The special unit may not be perfect, but it is the only top-security institution in Britain where one can reasonably predict that a disturbance in the near future is highly unlikely. Yours faithfully,

STEPHEN SHAW, Director,
Prison Reform Trust,
59 Caledonian Road, N1,
October 6.

From the Director of Nacro

Sir, Prison staff and prisoners alike have identified the new restrictions on parole introduced in 1983 as an important factor behind the unrest at Peterhead, Perth and other prisons. These restrictions, which apply in both England and Scotland, have virtually eliminated parole (except for short periods near the end of a sentence) for long-term prisoners convicted of violent crimes.

It was clear from the outset that these restrictions were likely to increase violence by prisoners deprived of hope and with little to lose. Moreover, they have put an important means of controlling the future behaviour of many released prisoners.

Home Office studies have established that parole substantially reduces offenders' probability of reoffending. The effect is particularly striking for long-term prisoners — exactly the group adversely affected by the new policy. While parole is still possible for a short period near the end of a sentence, supervision often needs to be maintained for a considerable time if resettlement is to be successful in such cases.

It is a tragic irony that, in the name of combating violence, these changes have increased the risk of violence both in prison and by prisoners on release. It is to be hoped that the current review of parole, under the chairmanship of Mr Mark Carlisle, QC, will lead to an early reversal of this misguided policy.

Yours faithfully,
VIVIAN STERN, Director,
National Association for the Care and Resettlement of Offenders,
169 Clapham Road, SW9,
October 7.

Death penalty

From Lord Mountgarret

Sir, PHS (Diary, September 28) refers to me as being of "hanging fame" and further claims that my amendments tabled in the Criminal Justice Bill propose reintroducing just that penalty.

There is no reference whatever to hanging in my amendments, which provide that, in the event of the reintroduction of the death penalty for certain offenders, the

sentence "shall be carried out by the injection of a substance".

I believe that among the very large number of people in this country who would wish to see the death penalty restored there are many, like me, who would prefer it to be carried out in a less macabre fashion.

Yours faithfully,
MOUNTGARRET,
Stanley House,
Stainley, North Yorkshire.

School governors

From Councillor D.F. Connellan

Sir, The Secretary of State for Education and Science appears to have overlooked a very important point in his four consultative documents on education. I refer to the lack of funding provision for attendance or loss of earnings that must be made available to this new breed of school governors.

If no funding is forthcoming we will still get the same unrepresentative group as we have already got today, i.e. parent governors with time and money to spare and these do not represent a real cross-section of any community!

For example, single parents

with small children must be able to pay childminders when carrying out what most of us see as greatly extended duties, some of which will take place during normal working hours.

The fact that Mr Baker wants more governors from industry is not a financial problem, but matter of time, plus who may be willing to participate.

Yours sincerely,
D.F. CONNELLAN,
London Borough of Merton,
Members' Room,
Via Crown House,
London Road,
Morden, Surrey,
October 1.

Search for homes

From Councillor Peter Hartley

Sir, In response to your report (October 1), "Tenant move condemned", Westminster City Council is not transferring tenants to portable homes in Barking in order to sell off 10,000 flats. Mr Bryan Gould should check his facts before making inflammatory statements.

Westminster is seeking to house 45 homeless families — not tenants — in Barking. The reason is that, with 1,700 or more homeless families placed in Westminster by other authorities for political reasons, Westminster City Council can no longer accommodate its homeless within its boundaries. It is almost impossible to find hotels of a decent standard and the competition from other boroughs forces up the price of any accom-

modation that does become available to ridiculous levels.

We are now looking outside Westminster for a better standard of accommodation for the homeless and the proposed development in Barking, which is for a limited period only, would provide good-quality homes.

It is nonsense to allege that the council does not care about its tenants. For example, we are spending £15-20 million this year on improving and repairing our housing stock and £140 million over the next five years.

Yours faithfully,
PETER HARTLEY (Chairman,
Housing Committee),
Westminster City Council,
PO Box 240,
Westminster City Hall,
Victoria Street, SW1,
October 2.

Giant puffballs

From Mrs Margaret Harris

Sir, I was fascinated by the letter (Dr Alan R. Date, October 2) on giant puffballs on the M25. When my husband was chicken farming, I found a giant on the mature heap weighing 7½lb. This was very much enjoyed, sliced and fried in butter.

Yours faithfully,
MARGARET HARRIS,
Holmurst,
Stone Quarry Road,
Chelwood Gate, Sussex,
October 2.

From Mr Alan Bush

Sir, Dr Date's letter (October 2) was read to us as topical or incidental interest, as we were eating puffballs at the time. The same generative process goes on at the back of our house, which prompted me to fry one, peeled and sliced, dipped in a light batter and breadcrumbs, in bacon fat.

May I suggest that the next time Dr Date is stuck in a traffic jam he should step out and pick one for his supper.

White are in their prime, yellow are degenerate, so leave the latter to puff upon the motorway. Yours faithfully,
ALAN BUSH,
Stammore House,
Kilnston, Alfreton, Hampshire.

Children in court

From Mr Anthony Arlidge, QC

Sir, Contrary to the impression that may have been given by your report of October 3 ("Hurd to lift bar on child evidence"), I not only support the Home Secretary's proposals to alter the rules requiring corroboration of children's evidence in sexual abuse cases; I suggested to the Home Office that some change was desirable.

In my experience the enquiry made by the judge as to whether a child should be sworn is often artificial and fails to take account of the fact that a child under 14 is most unlikely to be prosecuted for perjury.

My proposal is that no child under 14 should be sworn; that the absolute requirement for corroboration of unsworn evidence of a child be removed, but that the jury should be given the same warning to look for corroboration as they now receive in relation to the sworn evidence of a child.

They should also be told that a child, unlike an adult, will not be prosecuted for perjury.

Yours sincerely,
ANTHONY ARLIDGE,
5 Kings Bench Walk,
Temple EC4,
October 5.

Clearing the mists on sea defence

From the Editor of Jane's Fighting Ships

Sir, It is a shame that John Nott's continuing vendetta against the Navy (articles, October 5 and 6) creates so many anomalies in his justifiable argument that as a country we have no coherent national defence policy.

For example, he maintains (October 5) that our aircraft carriers and their attendant equipment and escorts will in due course cripple the procurement programme, but then goes on to praise France, which currently has three carriers in service with one building and another to be ordered in 1990. He might also look at the navies of Spain and Italy, both of which have launched aircraft carriers in the period since he resigned as Minister of Defence in this country. If Continental countries need these ships, why does he believe that we do not?

On the wider issue of defence policy, one of our difficulties is that we try to justify our long-term equipment-procurement programme on the basis of contributing to an alliance, and no one is able to say with any conviction how a "contribution" should be subdivided between competing claims.

If, on the other hand, we had a proper national strategy which allowed us first to define force levels which served our primary national interests and only then to apply those forces to Nato, some of the mists about which John Nott complains might begin to clear — but perhaps in a way that would surprise him.

Tibetan unrest

From the President of the Tibet Society of the UK

Sir, I notice that many commentators on the recent serious riot in Lhasa accept two pieces of Chinese mythology. The first one is that the population of Tibet is under two million. This is based on the Chinese view that "Tibet" is confined to what they call the "Tibet Autonomous Region", i.e. central and western Tibet.

A majority of the five or six million Tibetans live in eastern and north-east Tibet, in the areas known as Kham and Amdo, which the Chinese have re-baptized as Chinese provinces and districts. All this is part of the business of making the Tibetan problem look smaller than it is.

The second myth is that China has subsidised Tibet to the tune of \$2 billion, or some such figure. Empire is certainly expensive. The Parliamentary Human Rights Group asked the Chinese Ambassador as long ago as July, 1986, what proportion of this large sum was spent on maintaining Chinese defence forces in Tibet, constructing military roads and airfields, building missile sites, paying Chinese officials, and transporting housing and providing employment for the massive number of Chinese immigrants into Tibet who threaten to swamp the indigenous people. Visitors to Tibet notice that such schools and industries as they find are filled mostly by Chinese.

To this question no answer has come. Yours faithfully,
ALGERNON RUMBOLD,
Shortwoods,
West Clandon, Surrey,
October 5.

Settling old scores?

From Sir Yehudi Menuhin

Sir, In these difficult days, when the opposition parties of our country deliberate among themselves with regard to their policies, I find myself remembering a book I found in the United States some years ago, challengingly entitled *How to Compose New Symphonies*.

Yours faithfully,
YEHUDI MENUHIN,
4 and 5 Primrose Mews,
Regent's Park Road, NW1,
October 1.

Small dividends

From Mr Nigel Rowe

Sir, Dr Alex Comfort (October 8) is puzzled by the apparent inability of UK companies to operate automatic re-investment schemes for shareholders. The BOC Group has introduced just such a scheme and we have found it to be particularly attractive to those with relatively small holdings. Yours faithfully,
NIGEL ROWE (Chief Executive,
Corporate Communications),
The BOC Group,
Chertsey Road,
Windsor, Surrey,
October 8.

War games

From Mr Paul Andrews

Sir, Your more bellicose readers will recall that the use of artificial chemical stimulants to enhance sporting performance has long been accepted in our primary schools; my six-year-old son immerses his conkers (letters, September 28, October 2) in acetic acid prior to combat.

Yours faithfully,
PAUL ANDREWS,
Chetham's School of Music,
Long Millgate, Manchester.

From Mr Nicholas Lear
Sir, My son, aged 6, also decided to transform his conker into a deadly weapon in the microwave (letter, September 28). The resulting explosion was probably more than he bargained for. Yours faithfully,
N. C. LEAR,
Knowlands,
Barcombe,
Nr Lewes, Sussex.

ON THIS DAY

OCTOBER 9 1897

This is an extract from a long dispatch during the closing stages of the war in the Sudan in which Britain had been engaged since the early 1890s. The correspondent hoped that "we may push on to Omdurman and finish the business." On September 2, 1898, Kitchener defeated the dervishes and crushed Mahdism in the Battle of Omdurman.

THE ADVANCE ON THE NILE

(FROM OUR SPECIAL CORRESPONDENT)

MERAWI, Sept. 18.

We left Debbeh at dawn, but so strong ran the current against us that we did not reach Korti until 9 in the evening, having only travelled 35 miles this day. The steamer tied up for the night a little above Korti, and, as we steamed by, we distinguished the huts and tents of an extensive camp, a most important post, the nearest of all to the Dervish positions, for from here across the desert to Metemeh is only 150 miles as the crow flies, the well-known caravan route up which the British column fought its way in 1885 connecting the two places. On September 19 we steamed up the river with the breeze in our faces instead of astern of us, as it had been hitherto, for here the Nile takes a turn towards the north, the direction of the prevailing wind. We had on board the band of the 17th Egyptian battalion, which played occasionally as we steamed within a few yards of the bank. It was curious then to watch the wild-looking, almost naked men and women and little naked children who flocked down to the shore, prancing along in time to the martial music, clapping their hands, waving sticks to simulate a charge on an enemy with sword and spear, dancing with their feet, and shouting, as they followed us, to the cheering crowds along the bank, easily keeping pace with our slow progress. At 4 p.m. we reached Merawi, or rather what we are now pleased to designate as Merawi; for the town of that name is on the right bank of the Nile, whereas the present Egyptian camp is immediately opposite on the left bank.

On disembarking we were greeted by many of our old friends of last year's campaign: for with three battalions of infantry, three squadrons of cavalry, three batteries of field artillery, and nearly all the camel corps stationed here, there are for the moment a good many British officers in Merawi. We found that headquarters ever-increasing, but that the Sirdar had left two days before for Berber or beyond. The camp of huts and tents at Merawi extends along the Nile for nearly two miles. It is the Sirdar's rule that correspondents must live together in a separate camp of their own, and they are not permitted to join any mess save such as they may organize among themselves. The river fronts our camp, and close behind us is a native village whose inhabitants are apparently adept thieves; for nearly every night one or the other of us has something — a coat, a knife, or what not — stolen from his bedside as he sleeps. Tokiks — straw huts — afford the best shelter against sun and dust-storm, but the necessary building materials have been used up throughout this neighbourhood by the troops and must now be brought from a distance. Last year we used to put up tukiks in every camp we stayed in, and, though they were frequently blown away by storms and had to be rebuilt, our hunting was not a heavy item of expenditure. But this year everything is expensive in the province of Dongola. Since the occupation of the country by the Egyptian army the price of sheep, fowls, and all sorts of provisions has risen enormously, and the shrewd inhabitants are enriching themselves at the expense of their deliverers. They do not appear to regret their condition of last year, when the Baggara lords of the land used to seize all produce without payment, leaving the barest subsistence to the wretched people.



COURT AND SOCIAL

COURT CIRCULAR

BUCKINGHAM PALACE
October 8: His Excellency, Mr. John A. Manduca, was received in audience by the Queen and presented the Letters of Recall of his predecessor and his own Letters of Commission as High Commissioner for Malta in London.

His Excellency was accompanied by the following members of the High Commission, who had the honour of being presented to Her Majesty: Mr. Victor Camilleri (Deputy High Commissioner), Mr. Victor Sant (First Secretary), Mr. Peter Pace (First Secretary), Mr. Emanuel Abela (Third Secretary), Mr. Christopher Grima (Third Secretary) and Mr. Raymond Scapellato (Attache).

Mrs. Manduca had the honour of being received by the Queen. Sir Patrick Wright (Permanent Under-Secretary of State for Foreign and Commonwealth Affairs), who had the honour of being received by Her Majesty, was present and the Gentlemen of the Household in Waiting were in attendance.

The Governor-General of Australia and Lady Stephen had the honour of being invited to luncheon with the Queen.

The Duke and Duchess of York arrived at Heathrow Airport, London this morning from Mauritius.

Their Royal Highnesses this evening attended the charity premier of *Beverly Hills Cop II* at the Empire Theatre, Leicester Square in aid of the Sportsman's Aid Society.

Miss Helena Hughes and Lieutenant-Colonel Sean O'Dwyer were in attendance. The Prince Edward, Patron of the Festival of London 1988, this morning attended the launch of the Festival at HM Tower of London.

Lieutenant-Colonel Sean O'Dwyer was in attendance. The Princess Royal, Patron of the College of Occupational Therapists, this morning visited St. Loye's School of Occupational Therapy, Exeter.

Having been received by Her Majesty's Lord-Lieutenant for Devon (the Earl of Morley), Her Royal Highness toured the School and was entertained to luncheon.

Dinners
Bar Association for Commerce, Finance and Industry. Sir Gordon Sykes presided at the annual dinner of the Bar Association for Commerce, Finance and Industry, held last night at the Café Royal. Mr. Peter Sutherland, Commissioner for Competition and Relations with the European Parliament, European Communities, was the principal guest speaker and Mrs. Katherine Holmes, chairman of the association, also spoke. The other guests included Mr. Justice Warner, the Solicitor-General, the Chairman of the Bar and the President of the Law Society.

Company of Chartered Accountants in England and Wales. Sir John Grenside, Master of the Company of Chartered Accountants in England and Wales, presided at the installation court dinner held at Chartered Accountants Hall yesterday. Sir Michael Palliser, the Hon. G.H. Wilson and Lord Goodman, CH, also spoke. Sir Kenneth Cork and the Masters of the Brewers' and Tin Plate Workers' Companies were among those present.

Marks and Clerk. Marks and Clerk the Chartered Patent Agents, European Patent Attorneys and Trade Mark Agents, held a dinner at the Savoy Hotel, London, on Wednesday, October 7, to celebrate the centenary of the founding of the firm. Mr. P.G. Lee, senior partner, welcomed the guests. Dr. M.C. Bennett, Director of Tate and Lyle Industries, proposed a toast to the firm and Mr. M.F. White, managing partner, responded on behalf of the firm.

The Duke of Kent celebrated his birthday today.

In the afternoon The Princess Royal visited the Further Education Centre of St. Loye's College and opened the new extension.

Her Royal Highness, Patron of the Intensive Care Society, later visited the Intensive Care Unit at the Royal Devon and Exeter Hospital, Exeter.

The Princess Royal, President of The Missions to Seamen, this evening attended a Gala Concert given by the Royal Marines Band and Budleigh Salterton Male Voice Choir in Caspar John Hall, Britannia Royal Naval College, Dartmouth.

Her Royal Highness, attended by Mrs. Charles Ritchie, travelled in an aircraft of The Queen's Flight.

The Queen was represented by Colonel the Hon. Gordon Palmer (Her Majesty's Lord-Lieutenant for the Royal County of Berkshire) at the Service of Memorial and Re-Dedication for the Town of Hungerford which was held in Hungerford this evening.

KENSINGTON PALACE
October 8: The Princess of Wales this morning visited the Royal Ballet School, Talland Road, Barons Court, London W14.

Mrs. Max Pike and Commander Richard Aylard, RN, were in attendance.

The Prince and Princess of Wales were represented by Mr. Gerald Ward at the Service of Memorial and Re-Dedication for the Town of Hungerford which was held in Hungerford this evening.

KENSINGTON PALACE
October 8: The Duchess of Gloucester this morning opened 'Edenside Court', Eldon Housing Association's Sheltered Housing Scheme, Kelsay, Roxburghshire. Her Royal Highness subsequently opened the Marine Engineers' Workshops and Fishermen's Stores at Meeks Yard, Eyemouth.

In the afternoon The Duchess of Gloucester visited the Whiteside Valley Interpretive Centre at Abbey St. Bathans and later visited the Boston Court Sheltered Housing Scheme, Duns Park, Berwickshire.

Her Royal Highness, attended by Mr. Evan McCorquodale, travelled in an aircraft of The Queen's Flight.

The Duke of Kent celebrated his birthday today.

Companies were among those present. The Duke of Kent celebrated his birthday today.

Makers of Playing Cards' Company. Mr. D.B. Maurice, Master of the Makers of Playing Cards' Company, presided at a dinner held last night at Stationers' Hall. Mr. Alderman C.R. Walford, Senior Warden, Mr. T.S. Corrigan and Canon R. Tydenman also spoke. Among those present were:

The President of the British Veterinary Association, the Deputy Lord-Lieutenant of Shropshire and the Masters of the Drapers', Stationers', Tobacco Pipers', Stationers' and Tobacco Blenders' Scientific Instrument Makers' and Auctioneers' Companies.

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Forthcoming marriages

Mr H.R.H. Dalrymple and Miss J.E. Morris
The engagement is announced between the eldest son of Sir Hew Hamilton-Dalrymple, Bt, and Lady Anne-Louise Hamilton-Dalrymple, of Leuchie, North Berwick, and Jane Elizabeth, younger daughter of Lieutenant-Colonel and Mrs John Morris, of Leighton, Gloucestershire.

Mr C. Barlow and Miss S.J. Carter
The engagement is announced between Carl, only son of Mr and Mrs M. Barlow, of 2 Park Drive, Leamington Spa, Warwickshire, and Samantha Jane, daughter of Mr and Mrs J.C. Carter, of Whitegates, Lighthorne, Warwickshire.

Mr M.S. Borrell and Miss N.S. Pedley-Heald
The marriage will take place on Saturday, October 10, between Mike Borrell and Nicky Pedley-Heald.

Mr F.J. Buckland and Mrs L.F. Saker
The engagement is announced and the marriage will shortly take place between John Buckland, of Tandilaw, near Hawick, Roxburghshire, son of the late Brigadier and Mrs F.E. Buckland, and Lavender Saker, of 30 Leckford Road, Oxford, daughter of Mr and Mrs M.C.F. Sheppard.

Mr M.A.L.C. Cavendish and Miss S.J. Forby
The engagement is announced between Mark Andrew, younger son of Mr and Mrs Charles Cavendish, of Memyock, Devon, and Sarah Jane, eldest daughter of Mr and Mrs Richard Forby, of Charlley, Staffordshire.

Mr M.T.M. Rowe and Miss H.M.D. Oliver
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MR CONSTANTINE TSATSOS

Greece's philosopher-President

Mr Constantine Tsatsos, the erudite scholar and politician who became in 1975 the first elected President of the Republic of Greece after the military dictatorship, died in Athens yesterday. He was 88.

After teaching Plato and the philosophy of law to generations of Greeks he displayed, as a politician, integrity, dignity and learning, and had no qualms about exposing the less admirable facets of the Greek collective character.

"We adhere discipline and teamwork," he told his fellow-countrymen in a controversial Presidential message on New Year's Day, 1978. "We are attracted to extremism and intransigence. We are always impatient. We Greeks plant poplars, not oak trees."

Born in Athens on July 1, 1899, he was the son of a prosperous lawyer-politician. Private tutors introduced him to what he saw as the magic of literature and poetry before he went on to the Athens Law School.

He was expected to take over his father's law practice, but in the mid-1920s he felt free to pursue his academic interests at Heidelberg, where he studied the philosophy of law. He returned to Athens to teach at the University until Greece was overrun by the Germans.

In trouble for making patriotic speeches, he fled to the Middle East, where he became adviser to the Greek Government in exile.

After the liberation of Greece he joined the (non-political) Government as Minister for the Interior, then Minister for the Press. Elected a Deputy for the small Unionist Party, he became Minister of Education in 1949.

In 1955 his political role assumed greater importance against Germany. The *Economic Blockade* (vol. 1, 1952, vol. 2, 1959).

In 1945 he was appointed Professor of History at the University College of the South-West (now Exeter University) where he spent eight distinguished years. In 1953, he was elected to the Stevenson Chair of International History at London.

His appointment caused no little surprise at the time. A. J. P. Taylor and E. H. Carr were in the field, and he himself was comparatively obscure.

But the election's judgment was amply confirmed. He proceeded to build up what had been a small group of junior teachers providing general historical courses for social scientists until it became the largest and most influential department of its kind in the country.

He was foremost in the introduction into the study of the history of international relations in the twentieth century of strategic and economic considerations. And if historians of British foreign policy in the first half of this century have passed, from vilifying the characters of MacDonnell, Baskin and Chamberlain, to analysing the unenviable disparity between their obligations, the unreal expectations of their electorate and their exiguous military and financial resources, it is as much due to his own quiet influence as to any other.

This surfaced in print only towards the end of his career in his *Contemporary England, 1914-1946* (1967), in a new and much-revised edition of his *British Foreign Policy since Versailles* (1968), and in his Crichton Lecture (the first-fruit of his appointment in 1965 as senior editor of the British Foreign Office documents) *Britain and Germany, 1930-37* (1969).

Medlicott did much for the study of history at the school level in his six years as Secretary and President of the

His work was never other than his own. His advantage was that he came to photography late, as an established artist strong enough to assess, and sometimes to resist, new tendencies.

Many of the more romantic and organic of his pictures come from Pembroke, where he photographed in the 1960s, well after the Neo-romantic tide had ebbed. His later work, from the 1970s on, is largely from Cumberland, Dumfries and Galloway.

He was at his best in terrain on the margins of things: on the edge of a town, on the coast in the evening, on a B-road amongst strictly local traffic. To his eye there was never an ordinary nor a typical landscape; his Britain was always seen again, and with astonishment.

His work can be found in the collections of the Victoria and Albert Museum, The British Council, The National Museum of Photography and the Arts Council.

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when Constantine Karamanlis came to power. He became the Prime Minister's closest associate, mentor and confidant and held various Cabinet posts.

The day the colonels seized power in 1967, Tsatsos had just been appointed Minister of Justice. He spent the seven years of the dictatorship involved in conspiracies against the military rule, but he found time to contribute to the compilation of a major work, *The History of the Hellenic Nation*.

He resumed his role near Karamanlis in 1974 after the colonels' downfall, and was asked to draft the new constitution. In 1975 Parliament elected him to be the first President, after a referendum abolished the monarchy.

As President he set a precedent of dignified simplicity in an office that was new to the Greeks. In 1980 he stepped down to make way for the statesman he most admired, Constantine Karamanlis.

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Marriages

Mr A. Bell-Irving and Miss F. Reid Scott
The marriage took place on Thursday, October 8, at St. Eggleston's Church, Scalford, Gloucestershire, of Mr. Andrew Bell-Irving and Miss Fiona Reid Scott.

Mr C.B.H. Shaw and Miss J.M.A. Ellison
The marriage took place on Saturday, October 3, in the Royal Chapel, The Great Park, Windsor, between Mr. Christopher Brian Hasluck Shaw, eldest son of Mr. and Mrs. Michael Shaw, of Linton, Leicestershire, and Miss Jane Margaret Amy Ellison, daughter of His Honour John Ellison and Mrs. Ellison, of Goose Green House, Scalford, Gloucestershire, of Mr. Andrew Bell-Irving and Miss Fiona Reid Scott.

Mr S. Redgrave and Dr E.A. Callaway
The engagement is announced between Stephen Redgrave, MBE, only son of Geoffrey and Sheila Redgrave, of Marlow, Bucks, and Dr. Elizabeth Ann, eldest daughter of Brian and June Callaway, of Box, Wiltshire.

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Russian honours for war convoy seamen



Members of the 10th Destroyer Flotilla on the deck of HMS Belfast after being presented with the medals marking their fortitude (Photograph: Denzil McNeelance).



Icy decks on HMS Belfast and, right, a convoy steaming through an Arctic attack during the Second World War.

Seventeen old shipmates jumped to attention yesterday to receive honorary medals from the Russians. The men served together on Royal Navy convoy escort duty in the Arctic during the war. The convoys, which escorted vital supplies to the frozen wastes of Murmansk, Archangel and Bear Island, saw some of the worst wartime merchant marine losses, and

seamen regarded the journeys as among the toughest in the war. Yesterday, as they received their commemorative medals on the deck of HMS Belfast on the Thames, the men from 10th Destroyer Flotilla remembered their convoy days. Mr John Bull, aged 65, from Tilbury Road, east London, was an able seaman on HMS Ashanti. He said: "The

conditions were horrendous, inhuman. We could cope with the submarines but the danger was from the air and also the U-boats. But we kept going by sipping the Russian vodka." Mr John Williams, aged 68, of Bennetts Lane, Dagenham, Essex, who served on HMS Tartar said: "Everything was frozen. The decks and the guns were always dripping with

ice. But they were journeys which had to be made. At the time we would have died for any of our comrades." Mr Alex Nikiforov, a councillor from the Soviet Embassy, who presented the medals, said they were designed to commemorate the 40th anniversary of victory. "We are extremely grateful for all their brave efforts."

Conference sketch

Pushing hot air to new heights

The first rule of the Tory Party conference is that any statement followed by an expectant pause from the speaker is vigorously applauded. Lose your place for more than three seconds and you earn a standing ovation.

Instantaneous applause becomes so attractive that some speakers cannot will themselves away from the sycophantic statement into the main breach of their argument. Time is called before the complimentary slogans are drained.

Nurses, police and the armed forces are all there to help when you are in trouble," said Mrs Sheila O'Brien, following through with a robust pause. Sure enough, a smattering of polite applause.

"The winter of discontent must never happen again." Pause, applause. "And what is more..." said Sheila. "Could you wind up, Sheila," said the chairman. And so no one ever got to hear what Sheila originally intended to say.

The Joy of Unanimity is too pressing an urge for delegates to resist. But once they have attacked Arthur Scargill ("Heart Heart") and praised Mrs Thatcher ("Heart Heart"), they become so absorbed with not rocking the boat that they can only mouth truisms: "Without doubt - and I say this loudly and strongly - Tuesday in the great country of ours has always followed Monday. And let's keep it that way." (Pause: Applause.)

But soon the main feature of the morning - The Man With No Face - was to appear. "Ladies and Gentlemen," announced the chairman in a manner reminiscent of the Eurovision Song Contest, "please give a warm welcome to the Secretary of State for Social Services - The Rt Hon John Moore."

This curious man, his bland features never quite amounting to a complete face, acknowledged the applause with a mirthless smile.

Within seconds, he forcefully declared that "the future of the basic state pensions is not open to question" and that the NHS "should not be used as a political football". He spoke of St Bartholomew's Hospital, opened in 1123 for the care of

the poor. "Let me make this quite clear once and for all - there is no way in which this proud tradition is going to be abandoned".

Each such vacant statement was followed by a quick furrow of the eyebrows and a purposeful stare into the middle distance, a combination believed to indicate resolve and integrity.

Meanwhile, the intended suggestion that here might be a normal human being was jilted by Mr Moore's peculiar and recurrent habit of rolling his tongue around in his mouth whenever his lips were closed, as if he were forever scouring his teeth to ensure the shiny whiteness so favoured by the photographic.

"I am prepared to accept that other parties care very much about the health service." As his speech bounded towards such heights of controversy, Mr Moore's hands would make sudden but minute motions into the air.

Even when Mr Moore set his voice a quiver, presumably to indicate personal emotion, it emerged as more of an amateur yodel.

"We look forward to the day when we will conquer arthritis, heart disease and cancer," he declared, and it sounded as if this was a radical new Government creed.

"Throughout our history, the British people - ah those British people - have helped those less fortunate than themselves." His tongue went on its lengthy journey around the interior of his cheeks. He wished, he said, to make "real improvements in the life of our country".

Throughout this week, experts have stood in the Blackpool Winter Gardens, employed to listen to the Tory policy speeches and extract the meaning from the meandering. Most ministers have managed to insert at least a half sentence of policy somewhere in the midst of the Loony Lefty and This Great Country of Ours. But Mr Moore said nothing at all.

He is the latest in a long line of favourites to succeed the Prime Minister. But if the Prime Minister retires and leaves a gap, the question will remain: Can a gap be filled by a gap?

Craig Brown

Radical proposals to give NHS more money

Continued from page 1

Health Services Act, 1946, which allows hospitals to sell services to the private sector but prevents them from making a profit.

The minister also disclosed that he wanted to tackle waiting lists by supplying general practitioners with computers, enabling them to tell patients where places were available for operations.

Mr Moore's performance was eagerly awaited because of his recent emergence as a potential rightwing contender to succeed Mrs Thatcher. Although polished, it showed he has some way to go before he becomes a conference darling. He was given a standing ovation, but it lacked the warmth and spontaneity of those accorded earlier to Mr Kenneth Baker, and particularly Mr Cecil Parkinson.

Mr Moore said the country had come to expect a standard

of health care that was unimaginable a generation ago. Demand for better care was infinite, but resources were finite.

There had been no cuts in public spending on the health service, not last year, this year or next year, but there was a continual cry of cuts, because along with their increased money, every region faced increases in demand.

"All this means choices must be made - very tough choices. Even with new money, all the new demands cannot be met. Expansion in one area may have to mean, at least temporarily, slower progress in another."

"If we are to have a health service that works for us now and into the 21st century, we have to sweep away myth, dispense with sacred cows, and conduct our discussions rationally and with intelligence. Wealth creation is the only secure foundation for welfare."

Lawson promise to Tory conference

25p income tax 'as soon as possible'

By Robin Oakley, Political Editor

The Government will cut income tax to 25p in the pound the moment it is prudent to do so, the Conservative conference in Blackpool was told yesterday.

Mr Nigel Lawson, Chancellor of the Exchequer, cheered the Tories further by revising upwards his Budget forecast of 3 per cent growth, saying Britain's growth rate this year was likely to be 4 per cent, faster than any other major economy in the world.

He also responded to a strong series of calls from the conference floor for the Government to reform the tax laws for women.

After complaints about the fact that the income of working women was still classed as that of their husbands for tax purposes, Mr Lawson departed from his prepared speech to tell the conference: "The traditional tax treatment of mar-

ried women is no longer acceptable and that change will have to come."

The change is unlikely, however, to come in next year's Budget. Mr Lawson said after the debate that, although he would have to refer to the matter in next year's Budget, it was a "very complicated subject" and it unlikely that he would be bringing forward new proposals then.

He responded to earlier pressure with a tax reform Green Paper in March 1986 which proposed a fully transferable tax allowance for husband and wife. The aim was to counter the poverty trap of single-earner families on low pay by giving the husband two tax allowances to set against his income.

But there were objections from women's organizations that that would penalize working wives. At present married

men get one and a half times the single person's tax allowance and working wives get another single allowance on top of that.

Under the Green Paper working couples would have lost their advantage and the Chancellor was accused of planning a measure that would deter married women from working. He said yesterday that the proposal for fully transferable allowances had not attracted sufficient support for the Government to persist in that course.

In his speech, Mr Lawson said that unemployment in Britain had come down more than in any major country last year and the economy was in better shape than at any time since the last war.

Since 1979 new businesses had been created at the rate of 500 every week. "Confidence is coursing through the

nation's arteries as never before."

"We will continue to cut taxes in general and income tax in particular, bringing the basic rate down to 25p as soon as it is prudent to do so."

Mr Geoffrey Howe, the Foreign Secretary, issued a warning to Britain's EEC partners during a debate on the Common Market that tackling Europe's finances and farm policies had to be the top priority.

In Europe the dairy surpluses were now falling quickly. Britain was determined to go on to flatten the grain mountains and to drain the wine lakes.

"We shall not under any circumstances go on pouring ever larger sums of money into the bottomless pit of an unremunerated Common Agricultural Policy".

Conference reports, page 4

Ortega denounces US over peace plan

From Charles Bremner, New York

President Ortega of Nicaragua yesterday denounced the US attitude to the Central American peace plan and appealed to President Reagan to meet him in December to agree on a solution to their conflict.

The US delegation to the UN stalked out of the General Assembly after the Sandinista leader uttered a barrage of charges against their country.

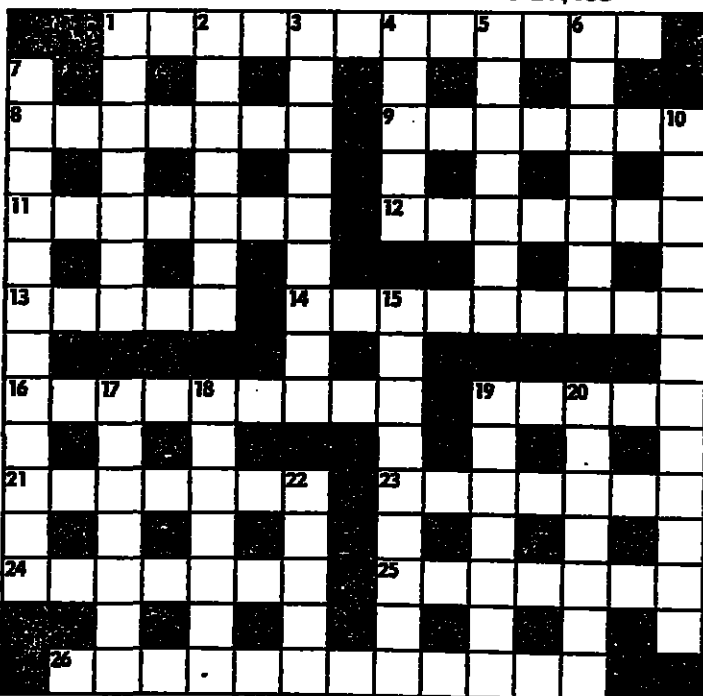
Señor Ortega attacked Mr Reagan for his speech on Wednesday which said that the peace plan, due to take effect on November 5, fell short of US wishes. President Reagan said he is seeking \$270

million (£165 million) further aid to the Contras fighting the Nicaraguan Government.

He said Mr Reagan's remarks indicated that he did not understand that the peace plan envisaged the departure of all foreign military advisers from the area. "Let President Reagan recall that Rambo exists only in the movies - because we know from Vietnam that the result is the death of thousands", he said.

Señor Ortega said Managua and Washington had to talk directly, and invited President Reagan to talks in December. Army pulls out, page 10

The Times Crossword Puzzle No 17,483



- ACROSS**
- Stanley was the model for this modern officer (Gilbert) (5-7).
 - Collected by after a service (7).
 - Hard workers from any of nine cities (7).
 - Rough-mannered student? Not in his novel (7).
 - Coated-up alibi covering Georgia's maid (7).
 - Pigtail for waiters (5).
 - Strange thing to decline at the end of the day (9).
 - Sincere as characters making advances (9).
 - Dealings in a form of transport (5).
 - A scholar about to draw a Roman flask (7).
 - Name of modern Greek vernacular of Latin origin (7).
 - Illustration showing former member in the drink (7).
 - Pantomime character is Mole? Rubbish (7).
 - Act as go-between for the compound (12).
- DOWN**
- Tape an old dance (7).
 - A flower Jack regarded as yours truly's (7).
 - She'd scatter it in rows for the birds (9).
 - Run for the late edition (5).
 - A self-admirer obtained one in the east of France (7).
 - Mobile state (7).
 - Clown crying 'help' in pantomime part (12).
 - Wild cats likely at a place in Utah (4,4,4).
 - Eg. slug an attractive person - and upset party drink (9).
 - First son accepts suitable rank (7).
 - In which a body may be thrown into the shade (7).
 - A tantrum first put on by artists (7).
 - Peace-keepers never wrongly weakened in resolve (7).
 - Opposite the centre of Lincoln before morning? (5).

WEATHER England and Wales will be rather cloudy with further rain, though brighter conditions are likely in eastern districts at first. Some of the rain will be heavy, particularly over Wales, the West Country and northern England. Showers will develop over Scotland, the Irish Sea and Northern Ireland, occasionally heavy with hail and thunder a distinct possibility. It will be cold enough for showers to be of snow over Scottish hills. Outlook for the weekend: sunny spells but cold with overnight ground frost. Showers quite widespread tomorrow.

ABROAD			AROUND BRITAIN			HIGH TIDES		
MIDDAY: c. cloud; f. drizzle; l. fair; b. fog; r. rain; s. sun; sh. shower; t. thunder.								
Algeria	c 22	75	Malaga	c 26	79	Algeria	AM	HT
Alexandria	c 26	78	Madrid	c 26	79	London	PM	HT
Athens	c 26	78	Manchester	c 26	79	London	AM	HT
Bombay	c 26	78	London	c 26	79	London	PM	HT
Buenos Aires	c 26	78	London	c 26	79	London	AM	HT
Calcutta	c 26	78	London	c 26	79	London	PM	HT
Canton	c 26	78	London	c 26	79	London	AM	HT
Cebu	c 26	78	London	c 26	79	London	PM	HT
Colon	c 26	78	London	c 26	79	London	AM	HT
Hankow	c 26	78	London	c 26	79	London	PM	HT
Hong Kong	c 26	78	London	c 26	79	London	AM	HT
Kobe	c 26	78	London	c 26	79	London	PM	HT
Lyons	c 26	78	London	c 26	79	London	AM	HT
Manila	c 26	78	London	c 26	79	London	PM	HT
Medan	c 26	78	London	c 26	79	London	AM	HT
Shanghai	c 26	78	London	c 26	79	London	PM	HT
Singapore	c 26	78	London	c 26	79	London	AM	HT
Sourabaya	c 26	78	London	c 26	79	London	PM	HT
Tientsin	c 26	78	London	c 26	79	London	AM	HT
Yokohama	c 26	78	London	c 26	79	London	PM	HT

AM

PM

LIGHTING-UP TIME

London 6.52 pm to 6.45 am
Edinburgh 6.58 pm to 6.55 am
Manchester 6.58 pm to 6.55 am
Birmingham 7.15 pm to 7.05 am

LONDON

Yesterday: Temp: max 6 am to 6 pm, 13.0 (59F); min 6 pm to 6 am, 11.0 (52F). Humidity: 6 pm, 42 per cent. Rain: 0.6 in. Sun: 24 hr to 6 pm, 4.5 hr. Bar: mean sea level, 6 pm, 1005 mbars; 1005 mbars = 30.0 in.

MANCHESTER

Yesterday: Temp: max 6 am to 6 pm, 10.0 (50F); min 6 pm to 6 am, 8.0 (46F). Humidity: 6 pm, 42 per cent. Rain: 0.6 in. Sun: 24 hr to 6 pm, 4.5 hr. Bar: mean sea level, 6 pm, 1005 mbars; 1005 mbars = 30.0 in.

THE POUND

	Bank	Bank
Australia	2.36	2.36
Belgium	2.36	2.36
Canada	2.36	2.36
France	2.36	2.36
Germany	2.36	2.36
Italy	2.36	2.36
Japan	2.36	2.36
Netherlands	2.36	2.36
Spain	2.36	2.36
Sweden	2.36	2.36
Switzerland	2.36	2.36
USA	2.36	2.36
Yugoslavia	2.36	2.36

NOON TODAY

Executive Editor
Kenneth Fleet

STOCK MARKET

FT 30 Share
1886.9 (+13.4)
FT-SE 100
2375.5 (+15.7)
Bargains
42183 (38404)
USM (Datastream)
225.22 (+2.43)

THE POUND

US dollar
1.5425 (+0.0025)
W German mark
2.9935 (-0.0011)
Trade-weighted
73.0 (same)

US sales
below
forecasts

American retail sales were below expectations in September, as consumers remained reluctant to spend on new fashions, analysts said.
They laid the blame for the weak sales on consumer and retailer confusion over new fashion lines, higher prices and high consumer debt.
Mr Monroe Greenstein, an analyst, said: "There will be a general slowdown in retail earnings in the third quarter - below what they reported in the first half - because of poor August and September sales."
Total September retail sales rose 4.4 per cent over last year. Analysts had been expecting increases of between 5 and 6 per cent.

Market listing

Lloyd Thompson, a specialist Lloyd's broker, is coming to the stock market via a placing of 5.8 million shares at 170p each, valuing the company at \$43.7 million. A total of 22.6 per cent of the enlarged equity is being placed, with £1.9 million net being raised for the company. *Tempus*, page 26

Profits rise

Austin Reed, the retailer, increased profits by 46 per cent to £2.6 million in the half-year to August 15. Turnover grew from £31.7 million to £33.9 million. An interim dividend of 3p was declared. *(2p)*
Tempus, page 26

SUMMARY

STOCK MARKETS

New York	2510.12 (+40.96)
Dow Jones	
Telco	
Nikkei Average	28286.75 (+394.48)
Hong Kong	
Hong Kong	
Hang Seng	
American Express	305.1 (+1.4)
Sydney: AO	2223.2 (+6.0)
Frankfurt	
Commerzbank	1972.6 (+25.8)
Brunswick	
General	5062.1 (+21.5)
Pfizer	407.1 (+1.5)
Zurich: Sika AG	642.10 (+2.1)
London:	
A-All Share	1218.55 (+8.55)
FT-100	1331.38 (+7.81)
FT-100	445.8 (-4.6)
FT-100	91.88 (-0.02)
FT-100	85.68 (+0.03)
Recent issues	
Closing prices	

MAIN PRICE CHANGES

RISER:	
Glaxo	1718p (+13p)
Johnson Group	585p (+20p)
Jersey	183p (+15p)
Early of Wines	183p (+15p)
Ratcliffe Inds.	299p (+15p)
Western Motor	585p (+20p)
ERF	360p (+17p)
Woolworth	360p (+17p)
GR Holdings	908p (+35p)
Pearson Group	527p (+12p)
Plessey	527p (+12p)
Saschli & Satchi	527p (+12p)
M & G Group	413p (+21p)
JT Parfums	775p (+40p)
Silvercrest	775p (+40p)
Incapac	948p (+25p)
Sims Catering	470p (+25p)

FALLS:

Reed	160p (-20p)
Quest Group	185p (-7p)
London & Edin.	195p (-4p)

INTEREST RATES

London Bank Base:	10%
3-month Interbank:	10% 10 1/2%
3-month eligible bills:	9% 9 1/2%
Buying rate:	
US Prime Rate:	9 1/4%
Federal Funds:	7 1/4%
3-month Treasury Bills:	6.80-6.85%
30-year bonds:	9 1/2-9 3/4%

CURRENCIES

London:		New York:	
£ \$1.5425		£ \$1.5425	
£ DM2.9935		£ DM2.9935	
£ Sfr1.5185		£ Sfr1.5185	
£ FFfr.9659		£ FFfr.9659	
£ Yen228.16		£ Yen228.16	
£ Index: 101.73		£ Index: 101.73	
ECU 50.694194		ECU 50.694194	

GOLD

London Fixing:	
AM \$458.25 pm \$458.15	
close \$458.25-458.75 (\$279.00-279.50)	
New York:	
Comex \$458.00-458.50	

NORTH SEA OIL

West (Nov) 1 pm \$18.70/bbl (\$18.80)	
* Denotes latest trading price	
Bus Summary:	27
Commodities:	28
Foreign Exch:	28
Stock Market:	28
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Wall Street:	28
City Diary:	28

BP trading 'to top £1bn'

High returns expected as deadline closes

By David Young, Energy Correspondent

NM Rothschild, the Government's adviser to the BP share sale, expects more than £1 billion worth of trading in first-day dealing on high international interest. In addition, the City anticipates the shares to show a premium of about 30 per cent when trading begins at 2.30pm on October 28.
Investors who buy shares in BP when the Government's 31.5 per cent share stake is sold, will receive a better return than if they had left their money in a high-interest building society account, says Mr Michael Richardson, a director of NM Rothschild.
Potential investors have until midnight today to register with the BP share information office in Bristol by telephone to qualify for priority application forms, thereby guaranteeing an allotment of at least 100 shares - worth about £375 at yesterday's market price - and priority if the offer is oversubscribed.
Investors who do not register by that time will still be able to apply but will not be guaranteed any shares.
However, with more than 2 billion shares on offer, it is unlikely that any applicant will not receive shares and the Government is determined that investors receive "meaningful" allocations.
Six million people have registered for priority applications and 4 million of those are expected to apply for shares. With 1 billion shares available to the small investor - an equal number has been set aside for institutional and overseas investors - large personal investments should be accommodated.
The Government is concerned that the new breed of small investor has been disappointed by the small allocations made during the sales of Rolls-Royce and BAA. This time, it intends to make allocations of up to 1,000 shares available.
Figures issued by NM Rothschild yesterday suggest that investors buying a minimum allocation of 100 shares who hold them for a year should receive a total dividend return of 12.2 per cent. If held for three years, thus qualifying for loyalty bonuses, the shares will earn a total dividend return of 10.9 per cent a year.
However, NM Rothschild stressed this was an illustration based on a hypothetical share price of 360p and that the official selling price would not be announced until next Thursday.
The Government hopes investors will hold on to their shares and not take quick profits.

Average wages top £200

By David Smith, Economics Correspondent

Average weekly earnings in Britain have probably risen above £200, a week, new figures from the Department of Employment suggest.
The 1987 *New Earnings Survey*, the first results of which were published yesterday, shows that average weekly earnings last April were £198.90 before tax. Since then, average earnings have risen by 2.1 per cent, according to official figures, which would push the average above £200 a week.
The figure of £198.90 - 7.9 per cent higher than a year earlier - concealed a wide variation of income between different groups. Fifty per cent of people earned less than £175.30 a week, and 25 per cent had a weekly income of under £128.60. At the other end of the scale, 25 per cent earned more than £236.90 a week.
Manual earnings for men were an average of £67 a week less than those for non-manual occupations. The average for male manual workers was £185.50, which included £47.20 of overtime pay, incentive pay and premiums for shiftwork.
In contrast, white-collar male workers earned most of their income as basic salary, with only £20.70 of their average gross weekly income of £265.90 coming from overtime and incentive payments.
Women in white-collar jobs received an average of £157.20 a week, 59 per cent of the gross earnings of their male counterparts. The gap for women in manual jobs was slightly narrower. They received £115.30 a week on average, 62 per cent of male earnings.
The DoE said that the difference in earnings between men and women did not necessarily reflect discrimination by employers.
"The average earnings of women are lower than men's because women tend to work in different jobs and industries and have a shorter working week. Differences in average earnings do not therefore correspond to differences in rates of pay for comparable jobs," the department said.

Young to speed MMC inquiries

By Colin Narborough

Lord Young of Grafton, the Secretary of State for Trade and Industry, has decided to leave unchanged the policy that the main criterion for referring mergers to the Monopolies and Mergers Commission is their effect on competition.
To limit the damage caused by long delays while a merger inquiry is conducted, investigation times are, however, to be cut, possibly by changing the law.
Special changes are also being introduced to speed up MMC inquiries into newspaper mergers.
The decision to retain the main tenet of the "Tebbit doctrine", named after Mr Norman Tebbit, the Conservative Party chairman, was disclosed in a speech Lord Young gave yesterday to a fringe meeting at the Conservative Party Conference at Blackpool.
Although the review of competition policy ordered last year was still in progress, he said he was able to announce some of its preliminary conclusions.
On mergers policy, the law should continue to give the Secretary of State discretion to refer mergers to the MMC on "public interest grounds".
He underlined that Government should only intervene "where the interests of the decision makers in the market are likely to diverge from the public interest."
In response to criticism that merger control procedure was time-consuming and inflexible, he said good progress had been made in reducing the length of inquiries. Work was also continuing to see if further improvements were possible, including changes in the law if necessary.
On press mergers, Lord Young said he was considering improvements in the Fair Trading Act and had received assurances that future MMC inquiries would be completed within two months, instead of the present three available by law.
In a clear reference to News International's "quickie" takeover of *Today* in June, when the Government was accused of being railroaded into approving the tie-up on the grounds the newspaper was insolvent, he said the changes would make it more difficult to argue that an inquiry was ruled out by "financial urgency".
On the accounting treatment of mergers and acquisitions, he said the Accounting Standards Committee, with its endorsement, was reviewing standards to ensure adequate disclosure of the true financial implications.
EEC warning, page 27



Eyes on the future: John (left) and Peter Beckwith of London and Edinburgh Trust

LET's Beckwith brothers build success from failure

By Colin Campbell

John and Peter Beckwith had every reason to smile yesterday, as their international property company, London and Edinburgh Trust, declared a £15.8 million pre-tax profit to the end of June.
But in the early 1970s there were more frowns than smiles. Then in their 20s, the brothers each suffered a £1.5 million loss after being caught up in - and out by - the property crash.
The two ex-Harrow and Cambridge men dusted themselves off and, with their scholastic and professional training behind them, tried again. John, originally an accountant with Arthur Anderson, and Peter, a lawyer, successfully traded their way out of their problems, repaid every penny they owed the banks, and in 1983 floated LET on the Stock Exchange.
Yesterday's announcement has capped their rise to success. The profit figure was 125 per cent up on the profits made in the first half of 1986, and more than the total pre-tax profit of £15.13 million reported by LET for the previous 12 months of the 1986 financial year.
The interim dividend is being raised by 25 per cent to 0.75p a share. The shares, which have been strong in anticipation of results, yesterday shed 5p to 194p.
LET is already involved in various property-related activities in a host of countries and yesterday set its eyes on Hong Kong. It has acquired a controlling interest in a quoted property company, to be renamed LET Pacific, which will be used to spearhead group activities in the Far East.
Investment attention is most clearly focused on the group's City interests, and in particular the multi-million pound Spitalfields development, in which LET has a one-third interest, on the 11-acre former market site off Bishopsgate in London.
The group has also bought the former British Telecom building on the corner of Wood Street and London Wall, which, together with Spitalfields, will mean nearly 2 million square feet of new buildings, and is ready to start development on a range of other properties.
On the Continent, LET is involved with a six-acre lake-side business park near Charles de Gaulle airport, Paris, and after a difficult start the company reports progress from its American interests.

Clark heads GEC-Plessey

By Edward Townsend, Industrial Correspondent

General Electric Company and Plessey have agreed the management structure of their merged telecommunications interests.
The joint venture, which will have sales of about £1.4 billion, is to be controlled by a holding company to represent the interests of the two partners. Its first chairman is to be Sir John Clark and the partners are expected to nominate an equal number of directors, probably between three and five each.
Mr David Dey, managing director of Plessey Telecommunications, is named as the chairman of the operating company, GEC Plessey Telecommunications, and Mr Richard Reynolds, managing director of Coventry-based GEC Telecommunications, is to be managing director.
Mr Dey, aged 49, joined Plessey from IBM in 1985 as managing director of the telecommunications division and, like Mr Reynolds, is a member of his company's main board.
Mr Dey had been tipped to succeed Sir James Blyth, managing director of Plessey, who resigned coincidentally within 24 hours of the joint venture announcement. Mr Dey was immediately, with two other divisional directors, appointed to the executive committee of the Plessey board.
Meanwhile, a report that up to a third of the 23,000 combined GEC and Plessey telecommunications workforce would lose their jobs as a result of the merger was dismissed as speculation.
According to Mr Michael Whitakers, telecommunications analyst at James Capel, about 2,500 jobs are threatened immediately. The report suggested that between four and six Plessey and GEC plants were likely to become the first casualties of the merger.
A Plessey spokesman said: "Inevitably there will be some rationalization but it is far too early to begin to speculate about the extent."

Blue Arrow offer to Castleman

By John Bell, City Editor

Mr Tony Berry, chairman of the Blue Arrow employment agency group, has offered the job of group managing director to Mr Christopher Castleman, former chief executive of Hill Samuel, the merchant banking group.
The move is part of a number of measures taken by Mr Berry to strengthen Blue Arrow's management team, following its £800 million takeover of the US group Manpower, the world's largest staff placement organization.
Mr Berry has also offered a non-executive directorship to Mr Norman Tebbit, the Conservative Party chairman. Earlier this week, Mr Tebbit accepted a directorship from Sears Holdings, the group whose retailing and footwear interests include Selfridges, Mappin & Webb, and Debenhams.



Castleman: 'welcome to a big hit'

Mr Berry said yesterday: "With a turnover of £3 billion and 1,800 outlets in the enlarged group I would welcome a big hitter like Christopher Castleman. He is an extremely able manager and would be a great asset on any board." Mr Berry pointed out that no firm decisions had been taken. He also stressed that there was no question of his standing aside or "giving up the reins".
Since Mr Castleman resigned from Hill Samuel, over the abortive plan to merge with Union Bank of Switzerland, he is known to have had many offers. He was said to be abroad last night.

Accountancy firms' equity may be limited to employees

Calling shareholders to account

By Carol Ferguson

The English Institute of Chartered Accountants has come out overwhelmingly in favour of allowing accountancy firms to incorporate, but has voted against allowing outside shareholders to own equity in practising firms.
This decision to restrict shareholders to employees, qualified or unqualified, will disappoint firms which advocated that the profession retain the flexibility to include outside shareholders, or even a quotation on the Stock Exchange.
The accountants are formulating their response to the Department of Trade and Industry's consultative document on the regulation of auditors, which proposes that only the minimum requirements of the EEC Eighth Directive need to be enacted. These permit incorporation, with the proviso that the majority of shares be held by qualified accountants.
But fears that the independence of the auditor might be compromised have caused the Council of the English Institute to go further. It recommends a ban on outside shareholders altogether, although it would permit employees who were not chartered accountants to own a minority of shares in the firm.

Mr Jock Worsley, deputy president of the English Institute, said: "In our response to the DTI, we will make that point very strongly. Our earlier submissions to the Government have taken the view that the independence of the auditor is paramount and nothing had happened to alter that view."
All accountancy firms are partnerships at present and there is little disagreement within the profession that it would be desirable if firms were allowed to incorporate. However, not everyone agrees it is undesirable to have outside shareholders, and the vote on this was not unanimous but was passed "by a reasonable majority" of council members.
Mr Elwyn Ellidge, a senior partner of Ernst & Whinney, said he was astonished that the profession was throwing away the flexibility the Government appeared to be offering. "This decision is at odds with many members of the profession, and it is certainly at odds with me," he said. "It is not that Ernst & Whinney wants outside shareholders now, or in five years, or ever, but things change and we might regret that we didn't have the ability to tap the stock market. To shut

the stable door in advance is astonishing."
In its submission to the DTI, the institute does not make any recommendation as to whether the ban on outside shareholders should be incorporated into the primary legislation - a draft bill on the implementation of the Eighth Directive is not expected before the end of next year. If it is not included in the primary legislation, it could be dealt with by statutory instrument, or in the institute's own regulations.
Mr Ellidge said the DTI listened to the views of the institute. "But I hope equally they will listen to the voice of firms like ours, of which there are many," he said. "This is a retrograde step. We value the independence of the auditor, but we are big businesses and we should be free of unnecessary constraints, though not professional constraints, I hasten to add."
Mr Worsley said there were several advantages of allowing incorporation. "Corporate structures are easier to manage."
A joint statement will be submitted on behalf of the Scottish, English and Irish institutes next week.

Accepting committee may die in merger

By Richard Thomson, Banking Correspondent

The Accepting Houses Committee, the exclusive club for merchant banks which has been in existence for 73 years, is likely to be disbanded by the end of this year. An entirely new organization representing the interests of investment banks may emerge next year.
The AHC is widely regarded, even by merchant bankers, as being anachronistic and unrepresentative of the sector. The move to disband it has been given extra impetus by the takeover of Guinness Mahon by Equiticorp, a New Zealand company, last week, breaching the AHC rule that no member should be foreign owned.
Talks are taking place which are expected to result in the "merger" of the 16-member AHC with the much larger Issuing Houses Association, which represents only the interests of institutions engaged in corporate finance activities. All AHC members are members of the 51-member IHA.
The next move is then expected to be either the creation of an organization to represent all investment banks in London, including US and Japanese institutions, or the broadening of the IHA's membership and responsibilities to include any institution undertaking modern investment banking activities.
The new institution, or the broadened IHA, may also include large accountancy and law firms which increasingly provide sophisticated corporate finance services to clients.
The AHC was formed to represent the City's most blue blooded institutions, the merchant banks. It evolved informal rules, such as that members should be independent and British owned. This led to the expulsion of Anthony Gibbs & Co in 1980 when it was taken over by the Hongkong & Shanghai Bank.
But the rules have not always been rigorously applied. In the 1970s, Samuel Montagu, a founder member, was taken over by Midland Bank but was not expelled. Charterhouse Japhet also remained a member when it was taken over by Royal Bank of Scotland in 1985.
The AHC has also failed to include many investment banking newcomers, including Barclays Merchant Bank and County Bank, owned by National Westminster.
The AHC's members are: Baring Brothers, Brown Shipley, Charterhouse Bank, Robert Fleming, Guinness Mahon, Hambros Bank, Hill Samuel, Kleinwort Benson, Lazard Brothers, Samuel Montagu, Morgan Grenfell, Rea Brothers, NM Rothschild & Sons, J Henry Schroder Wagg, Singer & Friedlander and SG Warburg.

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Young alert on trade aims when EEC barriers tumble

By Derek Harris, Industrial Editor

Lord Young, the Secretary of State for Trade and Industry, is bringing together key industrialists this month to draw up priorities for negotiations on the creation of a single European market by the end of 1992.

It is the first step in a growing campaign to alert British business to the opportunities presented by dismantling the barriers between members of the European Economic Community.

The campaign plan, unveiled by Lord Young at the Conservative Party conference yesterday, was prompted by the belief at the DTI that British business is possibly not aware of the implications for trade of breaking down the barriers.

One aim of the consultations is to identify possible

problems inherent in dismantling such barriers. A special unit at the DTI has been working on the shape of the European market by 1992 but is looking for additional input from industry and commerce.

Lord Young is writing to "rather less than a dozen" leading business heads as well as organizations such as the Confederation of British Industry and the Institute of Directors in the first round of consultations. But these will be widened to about six other groups covering the main sectors of industry and commerce.

The other aim is to obtain full backing for the awareness campaign in which a key event will be a national conference next spring to convey the message of what a barrier-free

market will mean. Regional conferences and seminars will also be staged.

But there are no plans for a television advertising campaign like that running in France, which is government-funded and conveys the opportunities and possible pitfalls of opening up competition in Europe.

The City is expected to be closely involved in the campaign because of the opportunities available for financial services, a sector where British expertise, the DTI believes, could reap big rewards. But here too the pre-1992 negotiations will be crucial in persuading all the EEC members to agree to dismantling the barriers.

Some of the most daunting barriers are in the services sectors, including financial

services, which together account for nearly 60 per cent of the Community's economy.

The DTI also plans to bring small business interests into the consultations.

Lord Young says: "I want to ensure that British companies, large and small, in every sector of the economy, are given every chance to make a success of the new opportunities."

"I am anxious to hear from companies themselves the sort of barriers and difficulties they consider most significant, to inform our priorities in pursuing negotiations within the Community."

"Some half of our total export of goods is now with member states but there is still room for much closer involvement by British companies."

LTO to trade in foreign shares

By Lawrence Lever

The Stock Exchange's traded options market yesterday announced that it was to start trading options on international equities as part of an initiative aimed at making the London market the dominant European market for trading in options.

The first step has been to introduce options on three French equities quoted on the Paris Bourse.

The LTO is also planning to launch options in the stocks of other European countries, and has two unspecified countries currently under consideration. It will subsequently introduce options on other international active stocks which are traded frequently in London.

The three French equity options are Elf Aquitaine, Peugeot and St Gobain. Dealings in these options will begin on November 5.

Mr Geoffrey Chamberlain, chairman of the Stock Exchange's Options Committee, said yesterday that the move to expand the traded options market into Europe was practitioner-driven. He said that "an over the counter market in options on international stocks would arise if the LTO did not fulfill the needs of the professionals by moving into the international equity options field."

The new options on international equities are likely to appeal to professional rather than private investors. Mr Alan Nash, chairman of the Exchange's Foreign Equity Markets Committee, said yesterday that the introduction of the three French options and the underlying securities in London and Paris "will provide interesting arbitrage opportunities."

Lawson lifts his sights to a 4 per cent target

COMMENT Kenneth Fleet

The Conservative Party Conference is not the place for unveiling new economic initiatives on the economy. True to form, if Nigel Lawson had any ideas in reserve after his Washington efforts, he was not letting on yesterday. That said, the speech was not without interest.

For a start, it was the first time that the Chancellor has put his name to a forecast of 4 per cent growth this year. Taken together with his prediction of 3 per cent growth for next year, contained in his speech to the International Monetary Fund last week, we now have a pretty good idea of the profile of the Autumn Statement forecast.

The equity market has had an idea that growth this year was likely to be around the 4 per cent level. But this, the first official confirmation of the fastest growth rate since 1973, provided an incentive for new-time buyers to shrug off uncertainties over the course of worldwide interest rates.

A month ago, such bullishness from the Chancellor would have added to the fears of overheating and produced an adverse impact in the markets. Overheating is now in the background, at least until the next money supply and trade figures in two weeks' time, and the markets are in a mood to look on the bright side.

At this time of year, the Chancellor has to steer a course between the Scylla of the party conference and the Charybdis of the spending ministers, some of whom were making notes during Mr Lawson's speech. Every upward notch in growth officially admitted adds a little extra to public spending, given that the spending round is officially aimed at a figure for general government expenditure for 1988-89 not exceeding 41.75 per cent of gross domestic product.

The Treasury wants to get as close as possible to the £154.2 billion planning total of last January's public spending White Paper. Outstanding bids from the departments would put this up to about £158 billion, together with a reduction in the reserve.

In practice, the battleground in next week's sessions of the Star Chamber is between planning totals of £156 billion and £157 billion. And a £2 billion reduction in the reserve would be in line with earlier years. The City, in its current mood, would be untroubled by such an outcome.

On tax reform, apart from the usual reference to a basic rate 25p in the pound, the Chancellor was unforthcoming yesterday.

Given Mrs Thatcher's strong doubts about the package of reforms espoused by Mr Lawson in his green paper on the Reform of Personal Taxation, it is difficult to see how changes, particularly in the taxation of married women, can come about. While everyone accepts the need for change, there is, as Mr Lawson

admitted again yesterday, no consensus on exactly what form the change should take.

While some accept the need to help poorer single-earner couples through transferable allowances, others strongly oppose removing the special privileges of the second earner and the incentive they give to working wives. Others again want to target relief through increasing child benefit. Maybe this is one of the rare occasions when the party conference can exert an influence on policy.

The conference speech allows Mr Lawson a rare excursion into the social and philosophical dimensions of his policies. Reforms to education and housing were a vital precondition of the better educated and more mobile workforce which the successful economy of the future would demand. The other essential was to break down the "them and us" society, an aim which wider ownership was gradually achieving. Looking round the hall it was not entirely clear that ending the "them and us" society was what his listeners really wanted.

The end of the AHC

Yet another citadel of the old City establishment is to be demolished. The 73-year-old Accepting Houses Committee was the best club in the City, conferring status and valuable privilege on its merchant banking members, and was the envy of all those barred from joining.

The AHC was synonymous with the Bill on London, until the Euro-dollar the greatest aid to international commerce since the discovery of gold. When the Bank of England effectively destroyed the Bill on London, it tolled the bell for the AHC. Exclusivity has lingered on and the committee continues to have its own unique relationship with the Bank of England, but the committee, lacking in leadership, has declined in relevance and influence as the City's, and the Bank's, horizons have widened.

The AHC's rules on independence and foreign ownership have been stretched to the point of meaninglessness. Samuel Montagu was allowed to stay in after its takeover by Midland Bank because of its crucial involvement in the gold market. Charterhouse had to stay in if Montagu was allowed to remain. Antony Gibbs was ejected because its acquisition by Hongkong & Shanghai Bank transgressed both the independence and foreign ownership rule. But now there is no will to throw out Guinness Mahon after its takeover by the New Zealand Equiticorp.

The options for change are several. A "merger" with the Issuing Houses Association would only be a halfway house (AHC members already belong). IHA, set up in 1943, only represents corporate finance interests.

Sultan buys the Pink Palace

From Iver Davis, Los Angeles

The Sultan of Brunei, who owns the Dorchester hotel, in London, and was named the world's richest man by *Fortune* magazine last week, has added Hollywood's Beverly Hills Hotel, known as the Pink Palace, to his massive real estate holdings.

The news that the landmark hotel on Sunset Boulevard had changed ownership came as no surprise to employees at the hotel favoured by film stars, celebrities and visiting royalty.

The sale to Sajahtera, did not mention the sultan by name, nor did it mention a price. But Sajahtera, according to business sources, is controlled by Sultan Muda Hassanal Bolkiah of the oil-rich nation of Brunei.

The price paid to Mr Marvin Davis, a wealthy oilman,



Changing hands: the Beverly Hills Hotel in Hollywood

was said to be close to \$200 million (£121.95 million) — \$45 million more than Mr Davis reportedly paid less than a year ago. At that time Mr Davis outbid the sultan and Mr Donald Trump, a New York real estate magnate.

For weeks, there have been

stories that the sultan, who met Mr Davis in London a few weeks ago, was hoping to pick up the hotel. It was only last December that the Davis group bought the hotel from the family of Mr Ivan Boesky, the Wall Street trader.

Since December, Mr Davis

supposedly had spent an estimated \$25 million on refurbishing the hotel but decided to unload it after reports that the hotel needed a great deal more work. The *Los Angeles Times* reported this week that Mr Davis's refurbishing plans never got off the ground.

Business sources said barely two months after he bought the hotel, Mr Davis and his real estate partner in the firm of Miller, Klutznick, Davis and Gray had begun negotiations with the sultan.

Confirmation of the sale came in a statement put out by a public relations company representing Mr Davis. A spokesman said the new owners intended to continue modernizing the hotel.

The pink-walled hotel, which is celebrating its 75th anniversary this year, is set amid 12 acres of lush subtropical gardens.

Steak house chain settles pay claims

By Our City Staff

Aberdeen Steak Houses, the troubled restaurant chain, has settled its long running dispute with its former employees who claimed they had been underpaid.

The issue has cast a cloud over the shares and caused takeover speculation.

The company yesterday said it had agreed to pay £38,000 to settle the claims and has also made an undisclosed contribution towards costs.

Share sale 'illegal'

Mr Dale Campbell-Savours, MP for Worthing, called yesterday for an urgent inquiry into a brewery takeover bid. He alleged that shares had changed hands illegally, through insider dealing.

He said: "The recent bid by Scottish & Newcastle for Marstons, Brown of Blackburn should be withdrawn immediately. I understand that in five hours on the day before the bid was announced 191,000 shares changed hands."

Japan poised for NTT share boom

From David Watts, Tokyo

Japan is poised for another boom in Nippon Telegraph & Telephone shares when reservation lists open today.

The opening of lists is merely a formality since the whole issue is already spoken for. The Finance Ministry has warned securities companies against "excessive" practices.

This second tranche will offer 1.95 million shares to the public from November 10, when the price will be set at the closing rate on the Tokyo

Stock Exchange minus 3.5 per cent. The share price is now about 3 million yen but, with hints of an interest rate increase and the renewed share price boom, the NTT offering is likely to rise quickly.

Nomura Securities will have 220,000 shares for sale and could already place reservations for twice that number. Another leading securities house said it had been allotted 1,500 shares and had 4,000 applications.

Privatization 'could help cities'

By Edward Townsend

Industrial Correspondent

The Confederation of British Industry has supported proposals to use some of the Government's proceeds from the privatization programme to fund inner city regeneration projects.

Sir David Nickson, the CBI president, speaking in the West Midlands, said business could not solve all the problems of the inner cities "but we can play a crucial role in partnership with government and the local community."

The question was how pri-

vate investment could best be encouraged. "On the face of it, there must be pump-priming from the public sector and a proper system of incentives. One suggestion already made is that some of the revenue from privatization might be used to provide these initiatives."

CBI members were concerned about the problems of the urban areas "if only because at a time when economic prospects are good, areas of under-used resources, both human and physical, represent a national waste and a cost to business."

Sir David said that decades of neglect, under-investment, and outward migration of jobs and people had all contributed to severe physical economic and social decay in parts of many British cities.

The CBI was looking closely at some of the proposed solutions, including relaxing land use zoning controls, or perhaps taxing vacant land after a specific period.

Earlier, Sir David said that to sustain an improving standard of living into the 21st century, Britain needed to retain a sound manufacturing

base. "We cannot hope to have any reasonable standard of living on this crowded island if we depend entirely on the service sector or become merely a manufacturing assembly plant for others."

"We must not allow our grandchildren to inherit a nation in which we are just shopkeepers, sellers and assemblers for products invented and made elsewhere in the world."

Manufacturing still accounted for 40 per cent of British exports, while services contributed only 17 per cent.

Calming troubled waters

Some members of the ruling council of Lloyd's continue to be appalled that Bank of England Governor, Robin Leigh-Pemberton is in a personal capacity, proposing a candidate for the council, claiming it is a blatant conflict of interest as he has an official role in vetting nominated members. But I hear the candidate in question, Bill Birch Reynardson, had sought, and apparently been given, clearance by Lloyd's chairman Peter Miller to approach his old friend, the Governor. Maritime lawyer Reynardson, aged 63, spoke to me yesterday from New York, where he is in discussions with Wall Street investment advisers in his capacity as chairman — until the end of this year — of Thomas R Miller & Son, the largest manager of maritime insurance in the world. Countering his "electioneering" critics, he says he is not against names being given as much information as they desire. "But a lot of them are not expert accountants, and with the accounts from each of their syndicates forming quite a pile, most of them will never get round to reading them," he says. "I think it would be better to give them a summarized version they will actually read, and make the full accounts available if they request them." Reynardson, one of 12 candidates chasing three vacancies, also objects to his description as a "hunting, shooting, fishing" man. Following an accident he no longer hunts, he does not fish, and he

THE TIMES CITY DIARY

Life on the bread line

Tales about Christopher Heath's £2.5 million salary package have shielded the limelight from the man in the number two slot. Poor Michael Slade, 41, the driving force behind property group Helical Bar, who last year earned £1.1 million, faces a drastic pay cut. His salary will now be a mere £300,000 — double his £150,000 basic salary last year. The additional £950,000

was commission from a lucrative Chiswell Street property deal. Michael — a close neighbour of Heath — says: "All this stuff about £1 million pound pay packets gets a bit embarrassing when you go up to places like Peterlee to do a deal. Don't forget, last year was a one-off and won't happen again. I won't suffer on £300,000, though. I have a very simple lifestyle."

all the other big retailers went better, the market assumed Sir Ralph was about to lose one of his top men. Not so, explained a weary Halpern aide. On the night in question Sir Ralph's man was indeed having dinner in town. But not, I'm told, with Sir Terence. "In fact, he was having dinner with Uri Geller," explained the aide. Strange... but apparently true.

Bending truth

All the bid talk about Sir Terence Conran's Storehouse group has rubbed off on some of the other remaining groups. In particular, Storehouse is reckoned to be raising the market for high-flying executives — which is all very unsettling for groups like Burton. Latest rumour is that one of Sir Ralph Halpern's lieutenants was seen having dinner with Sir Terence. So when the Burton share price took a slight fall the other day, just as



"What is a Porsche?"

Depressing reading

Interest rate rises and wave theories aside, Wall Street's exceptionally volatile behaviour this past week could in part be explained by *The Great Depression of 1990*, a book that has just undergone a meteoric rise to third place in the American non-fiction best seller list. Written by Ravi Batra, a professor at Southern Methodist University, the book is said to be essential bedtime reading for fashionable New York brokers and bankers. Batra talks about a 60-year cycle and argues that several forces are coming together that will bring about a crash "more painful than the calamity of the 1930s." Parallels with the 1920s include, he says, a soaring stock market, bank failures, falling energy prices and the concentration of wealth in the top 1 per cent of the population — the latter being the main destabilizing factor. Only pronounced changes in public policy, he says, can ward off the crash, advocating a huge increase in property tax, the prohibition of corporate takeovers and the abolition of interest on current accounts. Will Prof Batra, I wonder, be donating the fast-accumulating profits from his book to the poor?

Sign seen in a yacht marina in Turkey, this year's "in" place for yuppie holidays: "Crewed and bareboats for hire."

Carol Leonard

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By Alexandra Jackson

Yesterday CRH gave a presentation to institutional investors in New York as part of a seminar hosted by brokers Phillips and Drew. The company has a sponsored American Depository Receipt facility, and in due course may

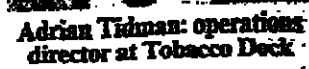
Big River's chairman, Mr Bill Lane, and the chief executive, Mr Hollis Rushing, will continue to run the company.

By Edward Townsend, Industrial Correspondent

The report says that the cars, which are not intended for business use but are regarded as part of the pay of the firms contacted in its survey had lowered the entry level for status cars in the past five years.

The survey shows that the usual entry level for status cars is a salary of £15,000-£22,000 a year. At the Post Office, which has 200 status cars, the entry level is £29,000 but in the computer industry, where there is a shortage of skilled

Mr Geoffrey Puritz and Mr Chris Clark become joint managing directors. **Mr Nigel Cooke** is named marketing director, **Mr Sultan Jetha** is named finance director.



Colley Porter Bell: Mr Derek Hornby becomes chairman. Mr Rush & Tompkins. Mr Peter Brynes becomes local director for Glasgow. Mr David Evans is made director of the major projects division at Gateshead. Mr Andrew Murray is named local director for the North Midlands region. Mr Mike Giffin is made regional director for the South-east. Mr Warwick Wallace becomes local director for Newcastle.

By Colin Narbrough

Japan is one of the world's most lucrative liquor markets, but locally made whiskies, aided by lower duties, have been able to hold their own against imported goods.

Nakasone: faced concern

Mrs Thatcher took up the issue with Mr Yasuhiro Nakasone, the Japanese Prime Minister, during the Venice economic summit in June, when they reportedly devoted most of their conversation to whisky.

A spokesman for the Scotch Whisky Association welcomed the news about Japan, but said the actual implementation of the ruling would be crucial.

A rescue bid is likely for IBL, the troubled computer leasing group, within the next few days. The company, under increasing pressure from its bankers, yesterday announced it was in talks "with a view to an offer being made for all of its share capital."

By John Bell, City Editor

"Provided we can meet the increased levels of production and associated technical demands, there should be a further satisfactory increase in sales and profit," said Mr

John Salmon, the company's chairman.

Group sales in the year to end-June rose from £10.19 million to £12.51 million. Profits increased to £2.673 million from £2.318 million despite a weakening of the

RECENT ISSUES

RECENT ISSUES	
EQUITIES -	
Alba	156
Alexander Walter	263
Anglo Leasing	235 +35
Banner Homes (105p)	180 +25
Best Mining (100p)	178 +11
Caudron	35 1/2 +1
Corporate Prop	103 +5
Dolphin Packag (106p)	147 +42
Econ Forestry	43 +26
Explains	148
Glamor Gp	307
Graniphan	307 -1
Guidespan	115 +10
Kingsdon Gp (100p)	130 +4
Knobs Knockers	145
Lancaster (165p)	218 +26
Mach Group	115 +10
Marcel Group	124 +11
Premark Int	518 -14
Richards	98
Rolls-Royce (170p)	210 +20
Rose Croc Summer (165p)	230 +23
Royal Plan	113
Sec Archives	229 +13
UPL Gp	210 +5
URS Int	95 +5
USDC Inc	188
WSP Hldgs	161
Zedlers Ltd.	158 -2
RIGHTS ISSUES	
Aid Lon N/P	4 1/2
Br Ex Engineer N/P	5
Bowthorpe N/P	21
Forward Tech N/P	33
Harris P N/P	48 +2
Robert Albert N/P	48 +2
Quento N/P	31
Seibe N/P	33 +5
Tot W&J N/P	22 +1
WTC N/P	22 -5
Wesley Mining N/P	139 +8
<i>(Issue prices in pence)</i>	

MONEY & GOLD

Base Rates %
 Clearing Banks 10
 Finance House 10%
 Discount Market Loans %
 Overnight Night: 9% Low 7
 Week fixed: 9%
 Treasury Bills (Discount %)
 Buying Selling
 2 month 9^{1/2} 2 month 9^{1/2}
 3 month 9% 3 month 9%
 Prime Bank Bills (Discount %)
 1 month 9% 6^{1/2} 2 month 9% 9^{1/2}
 3 month 9% 9^{1/2} 6 month 9^{1/2} 9^{1/2}
 Trade Bills (Discount %)
 1 month 10% 2 month 10%
 3 month 10% 6 month 10^{1/2}
 Interbank (%)
 Overnight: open 9% close 7
 1 month 10^{1/2} 6 month 10^{1/2} 10^{1/2}
 1 month 10^{1/2} 9 month 10^{1/2} 10^{1/2}
 3 month 10^{1/2} 12 month 10^{1/2} 10^{1/2}
 Local Authority Deposits (%)
 2 days 9% 7 days 9%

1 month	5%	3 month	5%
6 month	10%	12 month	10%
Local Authority Bonds (%)			
1 month	10-9%	2 month	10 ¹ / ₂ -9 ¹ / ₂ %
3 month	10 ¹ / ₂ -9 ¹ / ₂ %	6 month	10 ¹ / ₂ -10 ¹ / ₂ %
9 month	10%-10%	12 month	10%-10%
Starting CDs (%)			
1 month	9 ¹ / ₂ -9%	3 month	10%-10%
6 month	10 ¹ / ₂ -10%	12 month	10 ¹ / ₂ -10 ¹ / ₂ %
Dollar CDs (%)			
1 month	7.75-7.70	3 month	8.50-8.45

EURO MONEY DEPOSITS %	
Dollar	call 7 ¹ / ₂ -6 ¹ / ₂
7 days 7 ¹ / ₂ -7 ¹ / ₂	1 month 7 ¹ / ₂ -7 ¹ / ₂
3 month 8 ¹ / ₂ -8 ¹ / ₂	6 month 8 ¹ / ₂ -8 ¹ / ₂
Deutschmark	call 4-3
7 days 3 ¹ / ₂ -3 ¹ / ₂	1 month 4 ¹ / ₂ -3 ¹ / ₂

3 month 4% ¹⁰⁻¹²	6 month 4% ¹⁰⁻¹²
French Franc	call 7% ⁶⁻⁷
7 days 7% ¹¹⁻¹²	1 month 7% ¹¹⁻¹²
3 month 8% ¹¹⁻¹²	6 month 8% ¹¹⁻¹²
Swiss Franc	call 1% ¹⁻²
7 days 2% ¹⁻²	1 month 3% ¹⁻²
3 month 4% ¹⁻²	6 month 4% ¹⁻²
Yen	call 3% ²⁻³
7 days 3% ³⁻⁴	1 month 4% ⁴
3 month 4% ⁴⁻⁵	6 month 5% ⁵

BULLION

Gold \$456.25-458.75
Kruggerand (per coin, ex vat):
\$ 457.00-460.00 (\$278.00-280.00)
Mapleleaf (per 1 ounce coin):
\$ 471.00-476.00 (\$288.50-290.00)
Sovereigns (new, ex vat):
\$ 107.75-108.75 (\$65.50-66.25)
Platinum
\$ 565.00 (\$344.10)

**BASE
LENDING**

RATES	
ABN	10.00%
Adam & Company	10.00%
BCCI	10.00%
Consolidated Crds	10.00%
Co-operative Bank	10.00%
C. Moore & Co	10.00%

U. Trade & Credit	10.00%
Hong Kong & Shanghai	10.00%
Lloyds Bank	10.00%
Nat Westminster	10.00%
Royal Bank of Scotland	10.00%
TSB	10.00%
Citibank NA	10.00%

FROM THE CHAIRMAN'S STATEMENT

Part of our strategy is to increase the balance of earnings and cash flow from our subsidiary companies. Last year some 50 per cent of operating profit and 80 per cent of cash generation came from subsidiaries.

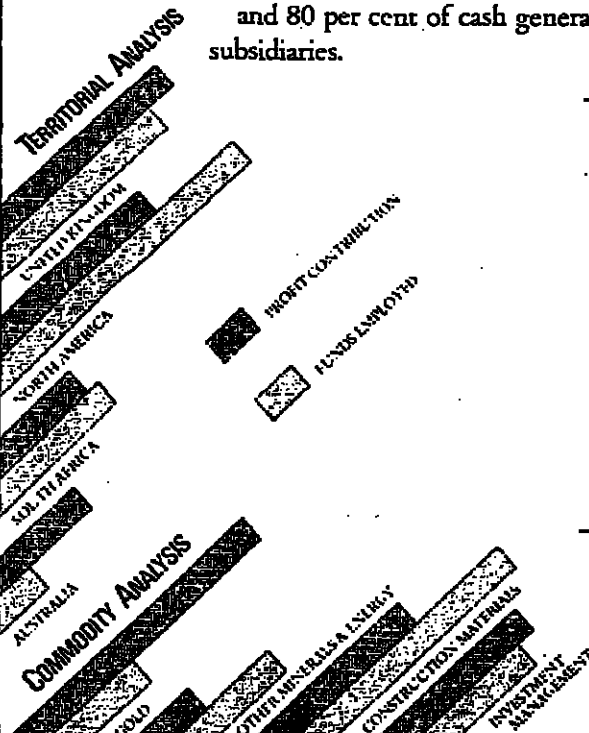
On 10th September the unrealised appreciation in our quoted investments alone amounted to £1,640 million. We enter our next hundred years in a mood of some optimism.

Randolph Agnew
CHAIRMAN

KEY RESULTS FROM THE ACCOUNTS			
	1987	1986	Change %
£ MILLION			
Beneficial interest in Group sales	1,386	1,353	+2
Profit before interest and tax	279	156	+78
Profit before tax	244	111	+120
Profit attributable to shareholders	164	68	+141
PENCE PER SHARE			
Earnings	82.2	35.1	+134
Dividends	27.5	24.5	+12
Net assets (listed investments at market)	814	385	+111
PER CENT			
Return on funds employed (historic)	26.4	15.4	+71

31 Charles II Street · St James's Square · London SW1Y 4AG

For a copy of the 1987 Annual Report please write to: The Registrar, Consolidated Gold Fields PLC, Lloyd's Bank PLC, Registrar's Department, Goring-by-Sea, Worthing, West Sussex BN12 6DA

**PRELIMINARY EARNINGS ANNOUNCEMENT**

PRELIMINARY EARNINGS ANNOUNCEMENT

(All funds expressed in Canadian Dollars)

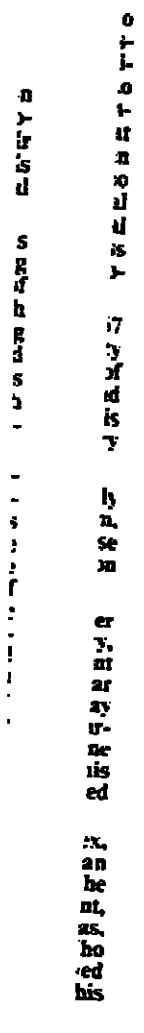
	1986/87	1985/86
Turnover	C\$98,224,071	C\$84,822,957
Earnings before Taxation	13,686,920	13,993,230
Taxation	3,376,592	2,092,378
Earnings after Taxation	10,320,328	11,900,852
Less: Minority Interests	389,147	248,705
	9,961,181	11,652,147
Gain on Sale of Marketable Securities	13,738,185	3,925,797
Realised Foreign-Currency Gains	1,613,064	
Net Earnings	C\$25,312,430	C\$30,672,858
Earnings per Common Share	C\$ 1.44	C\$ 1.75

The Directors today have declared a regular dividend on the 17,578,126 Common Shares N.P.V. payable to Shareholders registered at the close of business on 20th November 1987 at the rate of 41 cents (Canadian) per share. The comparative figure for 1986 was 34 cents per share with an extra dividend of 5 cents per share. The payment date for this dividend is 18th December 1987.

The Annual report and Accounts for the year ended 30th June 1987, together with the Notice of the Twenty-sixth Annual Meeting will be posted to Shareholders on the 30th October 1987 with the usual press announcement appearing the same day. The Twenty-sixth Annual Meeting will be held on 1st December 1987. Full details will be circulated with the Notice of the Meeting.

By Order of the Board, M. C. Johnston, O.C., Director and Secretary.
8th October 1987
P.O. Box 7289, Postal Station 'A',
Saint John, New Brunswick, CANADA E2J 4S6

SECRET



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UNLISTED SECURITIES

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INVESTMENT TRUSTS

1987										1987									
High	Low	Company	Price	Offer	Change	High	Low	Company	Price	Offer	Change	High	Low	Company	Price	Offer	Change	High	Low
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229	228	Amstar	2																

FINANCIAL TRUSTS

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COMMODITIES

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THIRD MARKET

Company	Price Bld	Offer	Change
Albecost Group	390	420	n/c
Alberston Air Petrol	420	450	n/c
Aldred Insurance	250	280	n/c
Broadwest Common	140	150	n/c
Catalyst Common	100	104	-1
Conam Beach	117	122	+2
Epilston Of Ireland	25	27	n/c
Exo. Warran	7	8	+1
Publishing Holdings	62	74	-1
Theme Holdings	81	88	+1
Unit Group	1371	1421	+1
Price: Cattle up			
96.77/100 (L/07)	118.25	uno.	
9.9 % w/ price,	100.15	97.50	
at price,	Wheat	295	
	Barley	294	
SOYABEAN			
Dec	133.5	32.5	
Feb	133.5	32.5	
Apr	133.5	32.5	
Jun	125.5	30.5	
Aug	125.5	30.5	
Oct	127.0	34.0	
Nov			
Dec			
LONDON POTATO FUTURES			
2 per ton			
Month	Open	Close	
Nov	96.00	96.00	
Nov	96.50	96.00	
Nov	96.50	96.00	
Apr	138.00	138.25	
Oct		107.25	
Nov		107.25	
BRIEF			
G.M.L. Freight Futures Ltd Dry			
Cargo Receipt (\$10 per point)			
Oct/97	-111.5	-108	Close
Jan/98	1225	1220	1224.0
Apr/98	1257	1240	1254.0
Jul/98	1130	1130	1130.0
Oct/98	280	280	Open Int. 1569
Spot market commentary:			

STOCK EXCHANGE PRICES

Equities recover

ACCOUNT DAYS: Dealings began September 28. Dealings end today. 5 Contango day October 12. Settlement day October 19.
Forward bargains are permitted on two previous business days.

Prices recorded are at market close. Changes are calculated on the previous day's close. Where one price is quoted, it is a middle price. Changes, yields and price earnings ratios are based on middle prices. (a) denotes Alpha Stocks. (VOLUMES PAGE 25)

Portfolio - Gold -

From your portfolio card check your eight share price movements, on this page only. Add them up to give you your overall total and check this against the daily dividend figure. If it matches, you have won outright or a share of the total daily prize money stated. If you are a winner, follow the claim procedure on the back of your card. You must always have your card available when claiming. Game rules appear on the back of your card.

No.	Company	Group	Close	Change	%	P/E
1	Marshall (Hanger)	Building/Roads	125	10	8	12
2	Sider	Chemicals/Pet	125	10	8	12
3	Bent Chem	Chemicals/Pet	125	10	8	12
4	Wolsey (Hanger)	Chemicals/Pet	125	10	8	12
5	Cambridge Bio	Chemicals/Pet	125	10	8	12
6	Waterford Glass	Chemicals/Pet	125	10	8	12
7	McKerrie	Chemicals/Pet	125	10	8	12
8	Lawrence (Water)	Chemicals/Pet	125	10	8	12
9	Advent	Chemicals/Pet	125	10	8	12
10	Dunoon Grp (a)	Chemicals/Pet	125	10	8	12
11	UK Land	Property	125	10	8	12
12	Boddington	Property	125	10	8	12
13	Beaver (CH) (a)	Property	125	10	8	12
14	Trinity Europe	Property	125	10	8	12
15	Sander	Property	125	10	8	12
16	Portland Ind	Property	125	10	8	12
17	England (J)	Property	125	10	8	12
18	Newman/Tenck	Property	125	10	8	12
19	Paradise	Property	125	10	8	12
20	Paradise	Property	125	10	8	12
21	Paradise	Property	125	10	8	12
22	Paradise	Property	125	10	8	12
23	Paradise	Property	125	10	8	12
24	Paradise	Property	125	10	8	12
25	Paradise	Property	125	10	8	12
26	Paradise	Property	125	10	8	12
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37	Paradise	Property	125	10	8	12
38	Paradise	Property	125	10	8	12
39	Paradise	Property	125	10	8	12
40	Paradise	Property	125	10	8	12
41	Paradise	Property	125	10	8	12
42	Paradise	Property	125	10	8	12
43	Paradise	Property	125	10	8	12
44	Paradise	Property	125	10	8	12
45	Paradise	Property	125	10	8	12

Please take into account any minus signs

Weekly Dividend						
Please make a note of your daily totals for the weekly dividend of £8,000 in Saturday's newspaper.						
MON	TUE	WED	THU	FRI	SAT	TOTAL

BRITISH FUNDS

High Low Stock Price Change % P/E

SHORTS (Under Five Years)						
1	125	10	8	12		
2	125	10	8	12		
3	125	10	8	12		
4	125	10	8	12		
5	125	10	8	12		
6	125	10	8	12		
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41	125	10	8	12		
42	125	10	8	12		
43	125	10	8	12		
44	125	10	8	12		
45	125	10	8	12		

FIVE TO FIFTEEN YEARS

1	125	10	8	12		
2	125	10	8	12		
3	125	10	8	12		
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5	125	10	8	12		
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OVER FIFTEEN YEARS

1	125	10	8	12		
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1	125	10	8	12		
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INDEX-LINKED

The way out of the pensions maze

The conflicting needs of different government departments are causing concern within the industry and confusing pensioners, writes Peter Gartland

When the jargon has been stripped away and the actuarial sums have been done, no one should lose sight of the fact that the primary purpose of a pension is to provide an acceptable level of comfort in retirement.

Unfortunately, the jargon and the mathematics, not to mention the committees of inquiry, Green Papers, White Papers, Acts of Parliament and statutory instruments, all suggest that an entire industry has emerged in recent years — an industry whose sole purpose is to obscure instead of clarify, to obfuscate rather than to simplify.

If this is your own view, then you may well find you have an unlikely ally in Professor Peter Moore, principal of the London Business School and immediate past-president of the Institute of Actuaries.

Back in June 1986, Professor Moore highlighted the fact that pensions administrators were often faced with conflicting requirements because there was no single government department responsible for pensions as a whole.

He expressed concern for present and future pensioners because of the confusion and doubt resulting from the weight of so much pensions legislation in such a short time and asked, possibly as much in sorrow as in anger: "Is it not time to pause and take a long hard look at the principles and practice of pension provision in the interests of the pensioners?"

If anything, the present-day pensions issues have become

even more acute than they appeared in June 1986.

Only last month Professor Moore's successor as president of the Institute of Actuaries, Marshall Field, was telling fellow members of his profession that the legislative background was far from ideal. "We have to live with the conflicting requirements of different government departments", he said.

Present tensions in the pensions world stem from two separate strands which each had their origins in the early 1980s. These are developments culminating in the forthcoming introduction of personal pensions and events leading up to the Financial Services Act.

The advent of personal pensions can be traced back to



Time to take a hard look at the principles of pension provision in the interests of the pensioners

Professor Peter Moore, London Business School

what is now seen as a key recommendation by the Centre for Policy Studies in April 1983. Its proposal was that there should be a fundamental review of pensions legislation to remove the penalty on changing jobs, to aid mobility and to link individuals more closely with the wealth represented by their pension fund.

The CPS argued that a consequence of giving equal-

ity of treatment to all pensioners would be to obviate the need for final salary schemes and enable a return to those based on money-purchase funding. This would facilitate, it said, the wider introduction of optional personal and portable pensions and at the same time remove from companies the open-ended financial commitment implicit in final salary schemes.

The CPS proposals did not lack its own brand of strong language, talking of "deep concern at the grave injustice inflicted on those who change jobs... ossification of employment patterns... and the promise of two-thirds retirement pay as an illusion for most employees".

The proposals were subjected to fierce attack from the pensions establishment. The mode of attack ranged from "throwing the baby out with the bathwater" to "manipulation of investment resources".

Many harsh words were traded at the time, even though it is now accepted by the National Association of Pension Funds (NAPF), the trade body representing the interests of the £200 billion occupational pension fund industry, that if the NAPF had been more receptive to calls for a better deal for early leavers in the early 1980s then pressure for the introduction of personal pensions would never have gathered such momentum.

As it was, the momentum was unstoppable and the outcome inevitable.

In the aftermath of the CPS report there followed a whole panoply of government and industry documents, reports and conferences.

The end result of all the debate, and not a little wrangling, is that from next July a personal pension will be available as an alternative both to the 11 million members of occupational pension schemes and the 10 million people who currently pay into the State Earnings-Related Pension Scheme (Serps). The latter will be given a financial inducement to make the switch.

The Government's intention had been to make personal pensions available to

Serps people from next April, but on August 26 this year Michael Portillo, the Social Security Minister, took everyone by surprise when he announced a six-month delay to July 1988.

The timetable for the pensions revolution has been knocked sideways by delays in a different, but related, area — investor protection under the Financial Services Act.

One point on which everyone in the pensions world is agreed is that the six-month breathing space should be seen as an opportunity for the tax authorities and government departments to co-ordinate their own thinking.

So far, this co-ordination has been dismally lacking, and has even prompted calls for the Prime Minister to intervene.

Both the DHSS and the Occupational Pensions Board are finding difficulty in agree-

ing ground rules with the Inland Revenue.

Quite separately, the Treasury has been accused of failing to dovetail fiscal legislation with Social Security laws and of failing to co-ordinate with the Department of Trade.

Even though the timetable has been shifted and the turmoil has to be resolved, NAPF members, which include many household name companies such as British Airways, Glaxo and ICI, still face the same challenge.

The challenge is that of retaining the loyalty of members who, for the first time, will be allowed to make their own pension arrangements outside the framework provided by their employer.

The centrepiece of the NAPF's propaganda is an entertaining video starring the comedian Lenny Henry as a company employee agonizing over whether to opt out.

The video, commissioned

by the NAPF's new director-general, Michael Elton, is being backed up with printed literature for company employees.

In theory, occupational schemes should have little to fear from the personal pension marketers trying to woo their

A personal pension will be the right decision for some, though not everyone

members. Personal pensions are intended primarily for Serps people whose scheme is being run down gradually over a period of years.

In practice, it is unrealistic to expect what will undoubtedly be a mega-media spend by the insurance companies, banks, building societies and fund management groups from appealing to a proportion of occupational

fund members. In any event, a personal pension will be the right decision for some, though by no means all, of them.

Not that employed people need necessarily make the crude choice between occupational pension fund membership and a personal scheme. A compromise solution will be the Free-Standing Additional Voluntary Contribution method (FSAVC).

FSAVC is an ugly-sounding name for a sensible idea which will work on the basis of allowing employees to enhance their occupational scheme benefits by paying voluntary contributions to an independent arrangement outside their occupational scheme.

The start date is October 26. FSAVCs looked like getting a bad start until Norman Lamont, the Financial Secretary, said this week he was introducing better procedures to reduce the administration burdens for these contracts.

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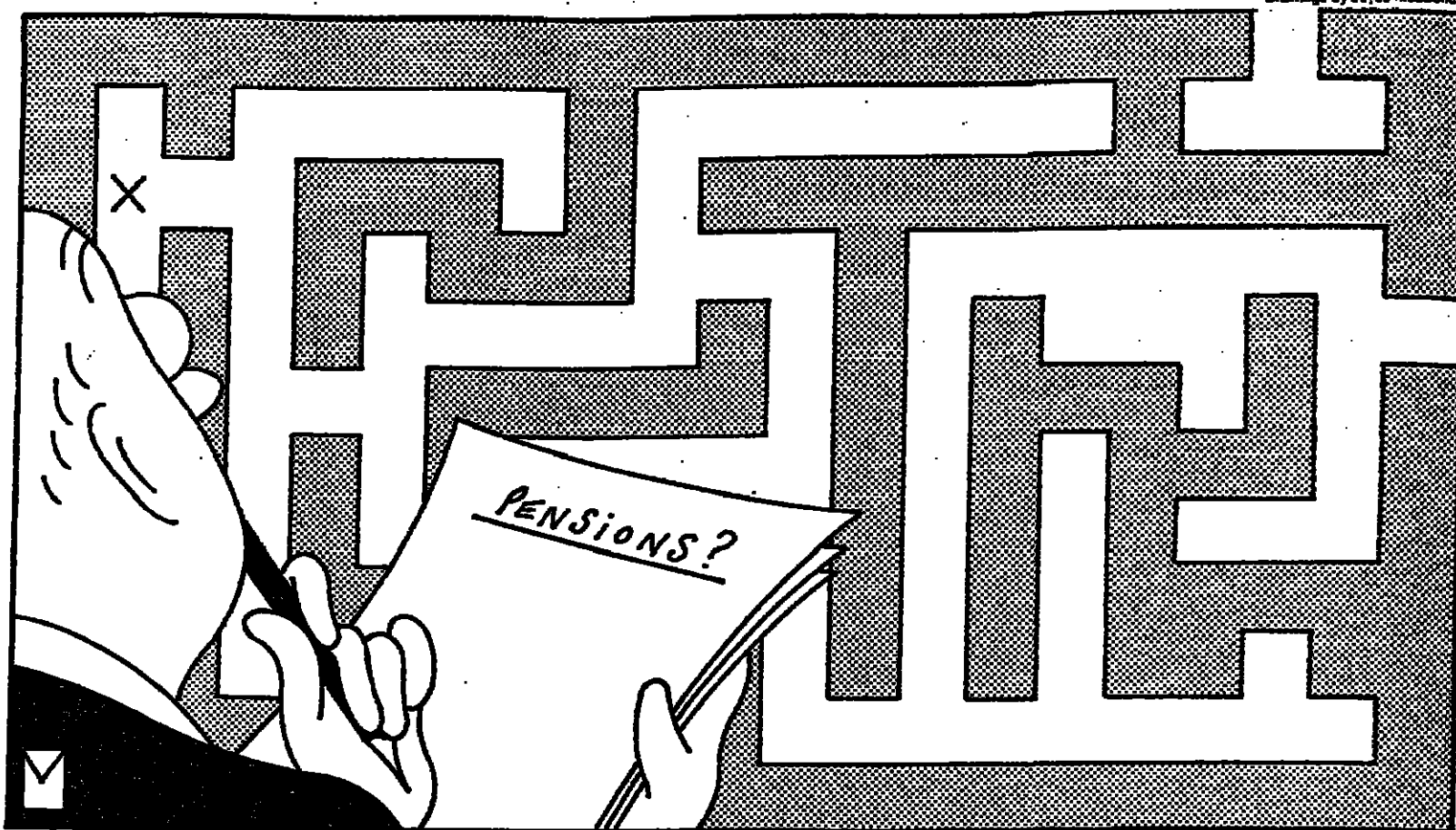
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Drawings by Joyce MacDonald

Nobody tells our fund managers what to do.

At Lloyds Investment Managers, we don't simply employ our fund managers to do what they are told.

That would surely be a criminal waste of their experience.

Instead, they are given ample opportunity to exercise their abundant skills to deliver a consistently strong performance for all our clients.

Over the last five years, they have achieved a result of 25.4% per annum. Well above the upper quartile result for the industry.

What's more, our sophisticated control procedures ensure that all clients do well, not just a select few.

This doesn't mean that our fund managers are tied to a recommended list of stocks.

Or that they are constrained from making tactical adjustments to asset allocation.

What it does mean is that they can use their discretion to ensure that our clients profit from their experience.

And fearful of overburdening them, we do not allow more than eight funds per manager.

That way, each one knows all his clients' portfolios inside out.

And has plenty of time to make considered market assessments.

More important still, every single decision made is based on consistent economic assumptions.

We find close communication the best way to achieve this. Working in an open plan office ensures a fast flow of vital information.

As for financial rewards, these are based on the performance of the team as a whole. With the result that they all pull together.

And what is the avowed aim of this carefully considered philosophy?

To continue to provide our clients with excellent performance and a personal service that's second to none.

If you'd like to know more, ring 01-600 4500 and ask for Keith Jecks or Godfrey Hemsley.

They will gladly fill you in.



FOCUS

PENSION FUND MANAGEMENT/2

Exams getting tougher

The increasing complexity of fund management has meant that entrants need higher qualifications, writes Michael Hatfield

The new, widespread changes sweeping through the pensions world are not only bringing new implications for people seeking a pension but for those providing and managing them. The result is a thorough re-appraisal of meeting future needs by raising standards of training and qualification.

The Pensions Management Institute, which has more than 600 fellows, 1,400 associates and 1,700 students, and which broadly covers the benefits aspect of pensions, seeing more people with higher qualifications applying to take its examination.

Susan Howlett, the institute's secretary, says that in the last academic session (1986-87) 40 per cent were graduates, compared with 33 per cent the year before, and in the current session it is likely to be higher.

New courses are broader-based

The minimum qualification is five O-levels, with at least two A-levels.

Similar higher qualifications are sought by the Society of Investment Analysts which has 27 fellows, 1,700 associates and 757 students and whose main function is the investment of pension funds.

Tony Newman, the society's secretary-general, says that with pension fund management going through enormous changes following the deregulation in the City, and with the possibility for employees to make their own personal pension arrangements, the society had completely restructured its examinations.

In the past, students had to take five papers at standards equivalent to degree level. Also in the past, they were restricted theoretically to fund management and analysis and United Kingdom stock shares and gilts. The new courses and examinations are much broader-based, covering overseas

investment, the money market, property investment and corporate finance.

These changes are all part of the need to meet the increasing awareness of the need for pensions, and the demands of trustees and individuals with a pension.

As the latest pamphlet published by the PMI states: "Recognition that pensions are an essential part of financial planning has led to the expansion of the pensions industry and its higher profile within the financial services market. As pensions have grown so has the requirement for highly qualified pensions professionals to service the needs of the industry."

The purpose of the PMI associate examination is to complement rather than compete with practical experience and internal training. Members receive the appropriate professional knowledge, skill and understanding so that they may undertake specialist and varied work in any area of the pensions industry.

Primarily, however, those who take the examination are involved in benefits, whether they are with insurance companies, company schemes, pensions consultants, solicitors, actuaries or accountants.

Over the years, the PMI syllabus has been developed so that it now covers every aspect of pension management and administration. Students are examined in eight three-hour papers on the following subjects:

Elements of pension schemes and social security, law and taxation, scheme design, taxation and scheme financing, scheme investment, scheme constitution and docu-

mentation, scheme management, and a general paper.

The PMI organizes its own tuition and training for all subjects which can be studied through its correspondence course or in conjunction with day or evening classes throughout the country. Comprehensive course manuals are provided for each subject.

The introductory course—with the other papers exploring aspects in even greater detail—looks at the origins and historical development of occupational pension schemes as well as the effects of taxation and other legislation. It examines the principal characteristics of pension schemes, identifying the main types, each different to serve different needs of different employers and their staff.

The second part of the introductory course is devoted to aspects of social security. A thorough knowledge is important so that the pensions manager can ensure that members who are retiring maintain an adequate standard of living and that the employer's costs are kept to a

minimum.

There is also a detailed analysis of retirement pension provisions within the UK, because of the considerable interaction between private provision for retirement and state provision through the social security system.

At the heart of it, is the concept of contracting-out. It is essential for the pensions manager to understand this concept and its effect on the design, management and control of occupational pension schemes.

Susan Howlett says there is a shortage of PMI associates and fellows, with demand growing all the time. This year has seen employers taking on more pensions staff, partly because of the increased workload brought about by the forthcoming introduction of individual pensions and the necessity to give staff advice.

The same experience is encountered by the Society of Investment Analysts. Tony Newman says the main reason for the rise of the investment analyst is the large increase of professionally managed funds.

This is particularly so in equity investment, which traditionally was regarded as the province of the rich, private individual, but the largest and most active investors now have become the professional fund managers of insurance companies, pension funds, merchant banks, investment and unit trusts.

A natural consequence of the increased professionalism on the part of the most important section of the investing public has been a higher

Fastest-growing area in investment

level of information and study about individual companies, and to meet that need the investment analyst has come into existence.

Mr Newman says that in recent years research and analysis has been the fastest-growing area in the investment world, a trend reflected by the steady growth in membership of his society.

In payment terms, a highly

rated analyst will be among the best-rewarded employees in the City. Normally, those who reach that position will be graduates or qualified accountants.

The society's new associate examination syllabus is now, after the restructuring, divided into three parts. The preliminary comprises the principles of accounting and economics, statistics and financial mathematics. Students who have passed examinations in these subjects can be exempt.

Part 1 comprises securities and investment, interpretation of accounts and corporate finance. Universities and other professional bodies can apply direct to the society for their graduates or members to be granted exemption from some or all of Part 1.

Part 2 covers portfolio management, investment regulation and practice and a case study. The objective of the case study paper is to test the candidate's ability to carry out an investment appraisal of a company in a macro-economic and sector framework.

Candidates are also asked questions relating to the issues raised in other examination papers. Although they are provided with recommended reading, much of the preparation takes the form of preparing systematic review of companies and sectors, assessing the impact of external factors and revising the techniques of interpreting financial and accounting formation.



Susan Howlett, secretary of the Pensions Management Institute, which covers the benefits aspect of pensions

Fund managers pumping in the City's lifeblood

Pension funds are the lifeblood of the City. Each year it invests vast sums on behalf of clients, accounting for the lion's share of transactions on the London Stock Market.

So it was inevitable that the advent of Big Bang would make an impact on the working practices of most fund managers with the abolition of fixed commissions and the introduction of negotiated commissions.

Until last year, private investors had all been charged by their stockbroker a fee of 1.65 per cent, or a minimum charge depending on the size of the transaction. But that changed on October 27, when brokers were forced to negotiate their commissions with clients or see the business go elsewhere if they chose to remain uncompetitive.

Most fund managers pre-Big Bang were charged an average commission rate of 0.35 per cent for every transaction they made. Smaller deals could see the broker raise his charge to 0.4 per cent.

But these fixed commissions

& Commonwealth, headed by John Gunn, is in the process of buying Oppenheimer Fund Managers from rival Mercantile House. This will boost its funds under management to £10 billion. This compares with the Prudential, Britain's biggest fund manager, with £25 billion under management and Mercury Asset Managers with between up to £23 billion.

Mr Bazalgette says that Gartmore's investment policy has not changed dramatically since Big Bang. "We are still doing around 70 per cent of our business with agency brokers paying commission of around 0.2 per cent on each transaction. The other 30 per cent is being done with market-makers dealing at net."

But Mr Bazalgette has no desire to increase the amount of business done direct with the market-makers. "We started with the aim of allocating a maximum of one-third of our business with the market-makers. For the rest we decided to deal with brokers."

He says Gartmore still depends a lot for its investment advice on the research departments of broking houses. A great many fund managers had started the new electronic dealing era on an aggressive note determined to virtually eradicate all costs.

A number of them decided to employ their own analysts and deal direct with the market-makers for net commission. However, most found their new-found research departments were not up to the task.

Meanwhile, many of the leading broking houses responded by refusing the fund managers access to much needed research on various companies and sectors.

This has now forced most of the more aggressive pension fund managers to rethink their policies and redistribute their commissions more evenly, allocating more work to the agency broker in return for their valued research.

But the powerful City institutions are becoming more choosy about the type of broker they will use.

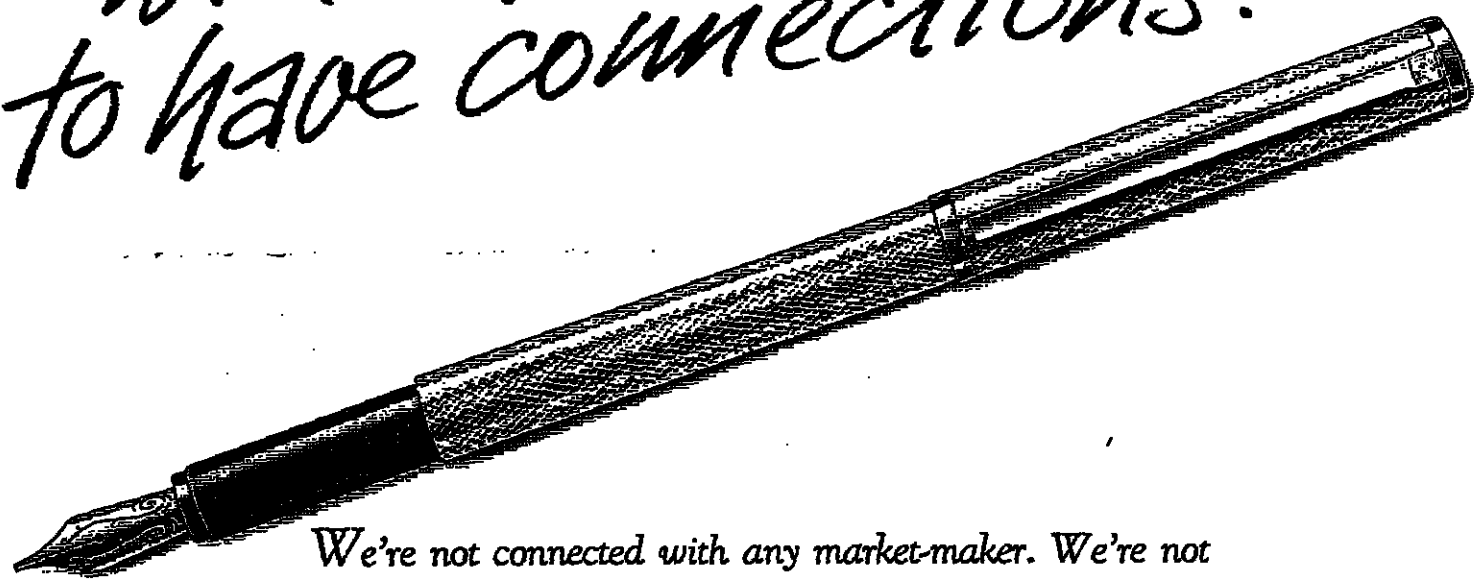
Hoenig Institutional Services, part of Security Pacific, the US securities house which includes London stockbroker Hoare Govett, has a novel approach to supplying its clients with research. Hoenig offers a completely independent research service from various research bodies.

A traditional stockbroker dealing with institutional investors, Hoenig is only too aware it must offer its clients some form of investment advice or lose out to its rivals.

Nigel Weller, head of trading at Hoenig, says the cost of employing independent researchers is usually repaid through the commissions received. "A lot depends on our dealing abilities to help reduce the overheads."

Michael Clarke

Why it pays not to have connections.



We're not connected with any market-maker. We're not connected with any corporate finance activities. Or with a bank. Or any financial conglomerate. In fact, we're completely independent.

Which makes life easier for us, and for our pension fund clients. Because we have no potential conflicts of interest.

Our only connections are with each other.

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We've been doing that successfully since 1934.

That success is illustrated by our performance.

The median return on the pension funds we manage was 26.0% p.a. for the five years ending 31st December 1986 (compared to a return of 23.3% p.a. for the typical UK pension fund).

For more information, please connect with Mike Anthony or Richard Garland on 01-638 5757.

HENDERSON
THE INVESTMENT MANAGERS

PENSION FUND
MANAGEMENT/3

FOCUS

Trustees widen the horizons

Fund trustees are changing tack. They are taking more notice about where their money goes and are seeking a more discriminating service. They are also less averse to risk, writes Alexandra Jackson

Pension fund trustees are becoming increasingly discerning about how they want the monies in their charge managed. Gone are the days when funds were locked into insurance policies or managed on a pooled basis.

Many trustees now also reject the segregated approach, developed by insurance companies for those seeking a more discriminating service.

Trustees are aware of the need to meet the long-term commitments of funds, but are cognisant of broader investment opportunities and are now becoming less averse to risk.

Underlying demand for top-quality pension fund services has meant few financial conglomerates have resisted the temptation to take a fund management operation on to their increasingly amorphous

businesses. This has introduced plenty of new entrants to the market.

Traditionally, the merchant banks and other leading fund management houses carved out positions for themselves as "balanced" pension fund managers, spreading the risk throughout the portfolio.

Their success has primarily been at the expense of the insurance companies, though the daddy of them all, Prudential Assurance, retains its reputation for excellence in a fast-changing market.

It is clear, however, that fears of post-Big Bang conflicts of interest have stimulated a certain amount of tuck changing among trustees.

Martin Shaw, of Baring Investment Management, recognises the bank's independence among a sea of affiliated merchant banks has helped win new business. Sophisticated geographical coverage and low staff turnover are also, in his view, good marketing tools.

The importance of continuity recurs again and again when establishing why new players have been successful, underlining the point that pension fund management is a very personal affair.

"It's horses for courses," says Joe Scott Plummer of Martin Currie, the fast-growing Scottish operation. The

fund trustees to develop a less-blinded approach to risk.

Most new entrants into pension fund management are well-grounded in other disciplines, looking to pension fund management to augment their business.

The Scottish houses Martin Currie and Baillie Gifford, have vastly expanded their pension fund business in the last few years.

Martin Currie hit the headlines last year when, as no doubt the token independent house, it won a tranche of the £5 billion British Rail Pension Fund, which was no longer to be managed in house.

It had seen market forces eroding its core investment trust business, so it stepped up efforts to secure pension fund money. Independence, continuity, flexibility and the personal touch, are again the hall marks of a successful organization.

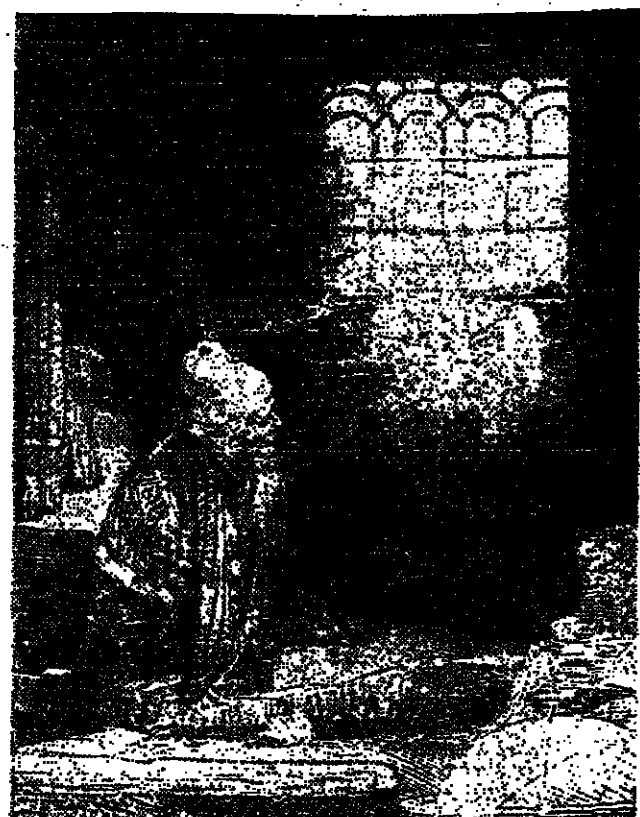
At the end of 1984, pension fund money at Martin Currie accounted for £27 million, or 4 per cent, of the £600 million under management. At the end of last year, the figures had risen to £600 million or 35 per cent of the £1.7 billion under management, while now it is £1.1 billion, or 44 per cent of the £2.5 billion total.

Max Ward at Baillie Gifford tells much the same story. He has seen pension fund business grow from 20 per cent of £504 million at the end of 1982 to 41 per cent of £1.7 billion at the end of 1986 and 52 per cent of £2.5 billion now.

The underlying conservatism of trustees has made it easier for investment houses such as these, established in other fields, to win pension business with the result that few of the newer entrants are genuine greenfield operations.

Yet Mr Scott Plummer remembers the stumbling blocks of not being able to impress trustees with punchy answers to questions such as "How much pension fund money do you manage?" and "What are your recent pension fund performance figures?" These questions were being asked of a business with over a century's experience of managing investment trust money.

Mark Cornwall-Jones of John Govett, another group

The art in
handling
millions

Old Masters are a favourite investment for some pension funds. In 1974, the British Rail fund, which tops £5 billion, invested £40 million in 2,000 works of art such as Rembrandt's *Faust in his study*. The masterpiece, a detail of which is shown, left, was estimated by Sotheby's to be worth up to £80,000. Last June, BR decided to review its investments and sent part of its art collection to auction

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More flexibility
helps trustees
to develop a
less-blinded
approach

judgements of an individual and his ability to justify them to trustees are the sure foundations of a successful business.

Moreover, it is no longer the case that well-established names will always attract the best managers; many prefer to work in less bureaucratic organizations where there may be opportunities to earn a direct stake in the business.

This preference for a personal, bespoke service provided by smaller houses is clear among an increasing number of trustees. Greater flexibility can help pension

actively adding to its pension fund business, emphasizes the importance of integrity and strength of character of the managers. "They are not just gamblers," he says.

In response to the competition, the balanced fund managers in merchant banks and other securities houses, are having to cut their cloth to fit a changing market.

Some are losing out as Big Bang has distracted their attention from the minutiae of

have the credibility and resources to provide specialist services within the confines of a balanced pension fund management business.

Dick Withers Green of BZWIM believes passive fund management - when the bulk of the fund is left as a supportive core and the rest is managed aggressively - has its place but not necessarily as a straight alternative for active management.

BZWIM now provides a passive service alongside its active strategic pension fund management operation. "They should work in harness," says Mr Withers Green.

Stephen Zimmerman of Mercury aims to provide a boutique operation within the parameters of a larger business managing a total of nearly £22 million.

Mercury, although a subsidiary of a larger securities operation, is well-known for fiercely guarding its independence, and this stance has paid off well.

Pension fund managers now approach their work in a much more disciplined way, observes Martin Shaw of Baring Investment Management.

Active marketing is widely acknowledged as a necessary function of a pension fund operation and not merely as a response to external factors. Technical and other quanti-

tative techniques are used with greater frequency. Mr Cornwall-Jones prefers to manage money organically rather than mechanically, although he expects fund managers to keep up with the times.

Quantitative techniques should not be neglected but he expects the time advantage gained by some from investing in computer hardware will not last indefinitely.

Asset allocation is given

New entrants with
a more positive
influence are
causing old hands
to take notice

greater priority, although successful smaller houses such as Baillie Gifford still favour the "bottom up" approach of prudent stock selection.

The fall out from Big Bang has not settled and this, together with other competitive influences, makes it a certainty that the pension fund market will remain in flux.

New entrants are having a positive influence if for no other reason than that they cause the old-established players to sit up and notice their rather wilted laurels.

Trustees who look for
probabilities rather than
possibilities, look to
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Source*: Figure refers to Murray Johnstone's annualised average fund performance compared to the industry average over 5 years to 31/12/86.
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MURRAY JOHNSTONE

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FOCUS

PENSION FUND
MANAGEMENT/4

Comic Lenny Henry is the star of a publicity drive, and it's no joke, says Amanda Pardoe

New image
for the
company
schemes

The National Association of Pension Funds (NAPF) is changing its image. The present low profile it has traditionally maintained is no longer appropriate.

As the principle trade association for company pension schemes, the NAPF has recognized that it must rise to the challenge being presented by personal pension plans.

If it does not, the marketing efforts of the life companies and other personal pension providers will succeed in persuading employees that they would be better off abandoning their company scheme and taking out a personal pension plan instead.

Michael Elton, the new director-general of the NAPF, has already begun the counter-attack. Mr Elton is well-suited to running the marketing campaign. Before joining the NAPF on January 1 last, he spent 16 years as chief executive of ABTA, the Association of British Travel Agents, an association whose members are known for their keen commercial awareness.

Mr Elton is now applying the marketing style familiar to the consumer travel market to occupational pensions.

He says: "The primary function of the NAPF is to create as favourable an environment as possible for company pension schemes. Of course, we think the Government is right to give people a choice, but that choice is an extremely difficult one. By making the wrong decision, people could destroy the last quarter of their lives."

It seems to me, that our function now is to make sure that the case for company pension schemes is understood by people positively, but fairly."

To get the message across, the association has embarked on its biggest ever publicity campaign. It is the first of its kind for the NAPF, and Mr Elton describes it as a "forever campaign". He says: "The aim is to highlight the benefits of company schemes, and the general theme is look before you leap."

At the association's annual conference in May, its members were shown a video, *When I'm 64*, starring comedian Lenny Henry. The video, a key element in the campaign, looks at the decisions involved in choosing between an occupational pension and a personal pension plan, and comes down firmly for the company scheme.

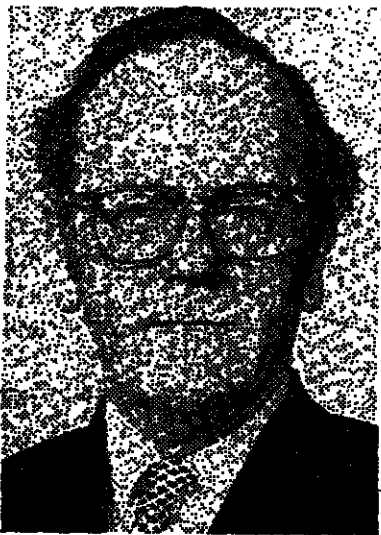
The NAPF is also producing a regular bulletin, *Pensions Campaign News*. There are two editions, one aimed at employees on the shop floor, and the other at senior management.

Lenny Henry in the video, *When I'm 64*, key element of a publicity campaign for company pensions

Mr Elton stresses that "the whole issue of company pension schemes must move to the forefront of every senior executive's mind. After all, at the end of the day, there is a commercial consideration as well as the personnel aspect."

He is delighted with the information pack, and admits to be surprised at how well it has been received. Already, 1,000 packs have been sold, and that excludes numerous re-orders.

As part of its overall aim to promote company pensions, the NAPF is also encouraging its members to examine their schemes to see if they can be made more attractive. On November 26, it is holding a major conference, the theme of which will be the different ways of improving schemes. Mr Elton says this will also be the



Elton: the counter-attack has begun

subject of successive executive newsletters.

Promoting occupational pensions would appear to be an obvious function for the association which represents company schemes. However, it is faced with an internal problem. Its 1,508 membership comprises 1,187 ordinary members and 321 individual associate members. The former are companies or organizations which operate a pension fund; the latter are advisers who provide a professional service to the pensions movement, such as pensions consultants, investment advisors, actuaries, solicitors and accountants.

The difficulty lies with the companies which are members because they have a pension fund, but which from next year, will also become major providers of personal pensions and also Free Standing Additional Voluntary Contributions (FSAVCs) — building societies fall into this category.

Mr Elton says: "The question the NAPF is faced with is: can we embrace the personal pension plan providers and thereby represent the whole of the pensions movement, which would be progressive and far seeing? At the same time, can a trade association be all things to all people without losing credibility and becoming divisive and divided?"

He points out that there have not been any major clashes yet. Although a few members were against the powerful message of the Lenny Henry video, no one has resigned because of it. However, Mr Elton believes the real test would be if a key issue arose with a commercial conflict.

The council members of the NAPF

are discussing the problem. Mr Elton says the latest indication is that whatever happens, company schemes must be the predominant concern. It is now up to the council to decide whether to seek the members' view on the subject at the annual conference next year.

The publicity campaign, although a major activity, does not interfere with the other services which the association offers to its members. One key area of activity is the NAPF's relations with Parliament. The NAPF is a political. Its parliamentary committee looks at all new legislation and consultative documents and makes recommendations to the Government.

Ron Amy, chairman of the parliamentary committee, says a major issue it is addressing is FSAVCs. In common with other groups, the NAPF is unhappy with the proposed method of calculating FSAVCs, whereby the burden is placed on the shoulders of the employer, not the provider of the FSAVC.

The committee is actively lobbying for a change. Mr Amy says: "We've been pressing for FSAVCs to be introduced for a long time, but with all these constraints, we think the whole thing is unworkable. We're going to keep on lobbying."

Besides its lobbying activities, the NAPF also runs an investment protection service, organizes training courses and conferences and awards prizes for the best report and accounts by a pension fund.

The Investment Protection Service is controlled by the investment committee, which examines all general and topical investment issues.

THE PROGRESS OF PENSIONS: HOW FUNDS DEVELOPED

1712	First Civil Service Pension Fund.
1834	Civil Service Superannuation Act.
1908	Old Age Pension Act.
1912	National Health Insurance introduced.
1921	Finance Act.
1925	Contributory old age pensions introduced.
1932	Metropolitan Life of New York transferred UK pension business to Legal and General.
1946	National Insurance Act (Beveridge and the Welfare State).
1951	Prudential introduced first group with profits pension policy.
1956	Finance Act.
1959	National Insurance Act.
1970	New code of Inland Revenue approval.
1973	Social Security Act (effective 6 April 1978) (SSA 1973).
1983	The "Fowler Inquiry" to study the future development, adequacy and costs of pensions.
1985	Finance Act.
1986	Social Security Act 1986 (SSA 1986).
1986	Occupational Pension Schemes (Disclosure of Information) Regulations.
1987	Finance Act.

Source: The Pensions Management Institute

DOESN'T THE RIGHT HAND
ALWAYS KNOW WHAT
THE LEFT HAND IS DOING?

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WE'LL LEAVE YOU MORE TIME TO DO WHAT YOU'RE BEST AT

PENSION FUND
MANAGEMENT/5

FOCUS

Pensions companies have used computers to handle administration for a long time, but government legislation since 1975 has made them essential. Administration became far more complex after the 1975 Social Security Act, which introduced contracting-out legislation, and the new Financial Services Act will complicate personal pensions further in 1988.

The new Act opens the door for banks, building societies, estate agents — almost anyone — to sell pensions. It will also provide more work for computer-software companies.

Helena McKenzie, of CMG, says: "Computerization should be seen as a tool to the pensions manager. The main purpose is to take the administrative burden away from the pensions manager and

Supplier's support
is essential

allow him or her to concentrate on the day-to-day queries of members that require personal attention."

The fairly dramatic changes in pensions legislation have been matched with equally dramatic advances in the computer market. In 1975, the market consisted of mainframes and minis with the ubiquitous PC yet to be launched.

Prices were in six and seven

New technology fights
the battle of the bulge

The growing mass of legislation involving pensions presents many companies with big administrative problems. But computers can help

figures and buying a computer system involved a range of specialized white-coated staff in an air-conditioned office.

Today, a powerful PC can do more than the large computers of just 12 years ago. Computers providing a range of valuable but limited facilities can cost less than £5,000. More extensive systems run into five figures.

PCs using the latest technology, such as the Intel 80386 processor, are approaching the power of the former mini-computers.

Key requirements: Computer systems for pensions management can be split into two areas: people systems designed for administration and handling the sheer volume of detail, and money systems handling fund management and called portfolio management systems.

Software: Support from the software supplier is essential. The

potential pensions market is full of professionals who know their subject but are not knowledgeable about computers. With legislation constantly changing, frequent amendments to programs are essential. After-sales service and maintenance contracts are also an essential part of a supplier's package.

Bureaucratic option:

Companies that do not want to install a special computer system or add additional software to their existing computers can use the services of a bureau. This obviates the need for capital expenditure and specialized in-house staff. However, this is not as effective as having the information immediately to hand.

Suppliers: There are about 50 different companies providing pensions administration and fund management systems. These range from PC-run systems costing hundreds to main-

frames costing many thousands. The sheer range of systems has become so complicated that Heywood & Partners, the pensions software supplier, has produced a guide, *Solving the pensions administration maze*.

Linking systems: Pensions systems can exist on their own, but often they need

Detailed statement
for members

to be linked to other parts of an organization. Payment into a pension fund comes from the employee's salary, so there needs to be a deduction from payroll, while the employee's personal details will be stored in personnel. A complete system incorporating pensions, payroll and personnel can be invaluable. Another way to use a system is to provide linking modules of the same system.

CMG is launching a special payroll system this month to take account of the recent legislative changes. The package will link in with its pension programs. John Benson, the CMG (UK Services) managing director, says: "The increasing sophistication of pensions management, particularly in the light of imminent government legislation, now demands computerized processing."

Personal pension programs: Sherwood Computel has launched a new program, Envoy, specifically designed to handle the administration of personal pensions. Its director, David Lewis, says: "Envoy has been designed with the provision of the 1986 Social Services Act in mind, together with a priority of the manager's need to manage."

This is likely to be the first of a range of software programs to handle personal pensions. However, for companies



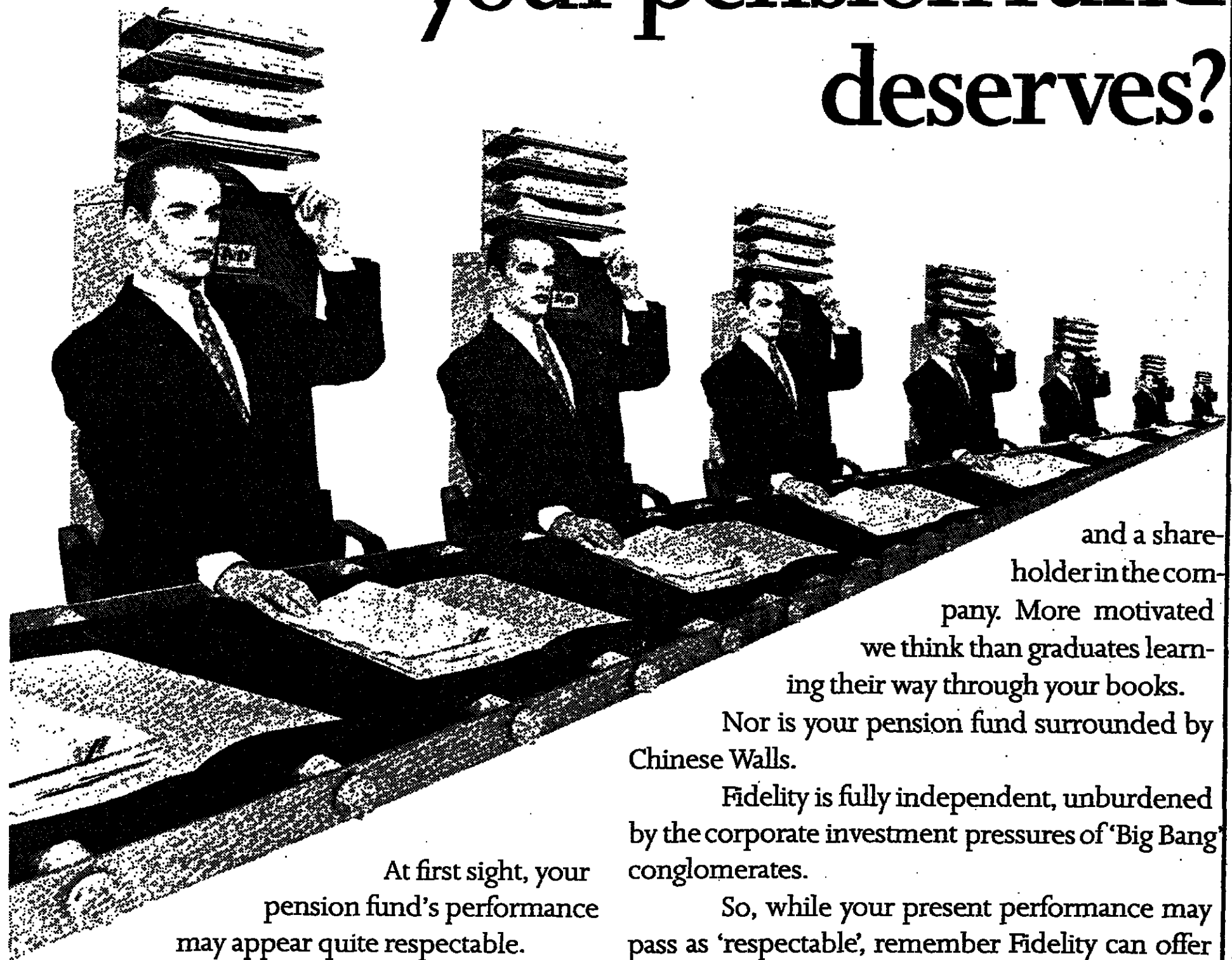
Trevor King, the fund secretary, saw six suppliers before deciding on Heywood. He said: "We are not fully operational yet, but it will keep all records of our members and produce calculations which previously we had to do manually. The Heywood CPX will also produce management reports, pay our pensioners, produce payrolls, cheques and handle the accounts."

The EPS Group employs more than 900 people at six locations throughout the UK. It used to have a computer link to Legal & General via a modem. The group changed to an in-house system, also from Legal & General, in December last year. It hopes to recover the cost over three years.

Renold Change, an engineering company, has a number of pension schemes and chose the Nobel Lowndes Laser system to replace its outside administrator, Finney Swift, the insurance and pensions manager, said: "We chose Laser because it was fairly easy to update and we wouldn't have any problems changing benefits or making alterations to comply with legislation."

"Support was the major factor in deciding whether we used a pensions system or went to a pensions conglomerate. We don't understand computers, but we do understand pensions."

Neville Ian Ash

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Managers want
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Being top of the pops in the pension fund world may be the passport to winning new business, but it is debatable whether it is in the genuine long-term interest of the fund's beneficiaries or the companies in which it is investing, writes Alexandra Jackson.

Virtually every pension fund manager claims to be ranked in the top 25 per cent of the performance tables. Trustees seem gullible on this point, overlooking the fact that not every fund will regularly achieve upper quartile performance.

The pressure to perform is coming from all directions. Pension fund managers put pressure on themselves, while performance is increasingly demanded by trustees in time with the investment scene. One leading investment house vows not to be client-driven — in theory an admirable principle, but hard to implement.

There are even signs that trustees take an almost sadistic pleasure in seeking above-average performance from pension fund managers, whom they see as recipients of the much-talked-about largesse slushing around the City since Big Bang. They should be made to earn their fees, trustees mutter.

Consultants are also guilty of drawing attention to short-term performance, as are commission-hungry stockbrokers, driving clients to "churn" their portfolios.

In certain instances, pension fund managers have appeared to adopt the role of arbitrageur, spotting short-term anomalies, daring a bid. Yet most agree this is not a suitable use of pension fund money, given the considerable actuarial liabilities.

But as Dick Withers Green, of Barclays de Zoete Wedd Investment Management, says, the dual requirements to maximize the return and spread the risk are virtually mutually exclusive. The shareholdings of certain pension funds are large because of the fund's buying power compared with the size of the company.

Investment houses such as Robert Fleming make a specialty of concentrating holdings. The belief that it is impossible to monitor successfully a very diversified portfolio is gaining adherents.

All these techniques are developed to provide an above-average performance. Building a long-term relationship with the management of companies in which pension funds buy shares is recognized as a worthwhile exercise. But companies must understand that the pension fund is expecting to make a return and may in time sell the shares.

This should not necessarily be seen as a blow to the company. The relationship should be close but not so close that the fund manager is unable to look at the investment criterion clearly. Stephen Zimmerman, of Mercury Asset Management, is of the school that backs the management. "We do not want to interfere," he says.

Yet why should pension fund managers not take advantage of market forces? They are shareholders along with millions of others and should not have to put up with poor performing investments.

But the power of the pension fund brings with it a considerable responsibility. And this is the crux of the debate on the apparent trend for pension fund managers to seek quick

Pension fund managers' actions can have a major impact on other shareholders and can affect the whole market's confidence in the company.

Martin Shaw, at Baring Investment Management, believes the key to a successful relationship with trustees is: "Clearly define your objectives at the outset. Baring aims to provide a consistent performance on a three- to five-year view. Along with others, it is unwilling to be seduced into promising the moon."

Yet the looming presence of quarterly performance figures makes it tempting for fund managers to look for short-term performance in the heat of the moment. A generous bid at the end of an otherwise dull quarter would tempt even the most prudent manager.



Investment is a matter for the conscience

Dick Withers Green of Barclays de Zoete Wedd Investment Management

Trustees are not only looking for a performance but are also showing signs of wanting to be involved in the tactical decision. But Mark Cornwall Jones, of John Govett, sees this as no bad thing. "I do not believe in absentee landlords," he says.

Some might say investment is merely a polite name for trading, but Mr Withers Green believes there is a clear distinction. "It is a matter for each manager's own conscience," he says.

Joe Scott Plummer, of Martin Currie, relies on fundamental analysis to achieve a consistently good performance. However, he says: "One cannot afford the luxury of sticking with an investment if it is not performing well."

Mr Withers Green says: "The shareholders' only ultimate way of pulling up the management is to sell the shares."

Certain leading investment houses have noticed a deterioration in the quality of research provided by securities houses. Commercial considerations appear to be taking priority with insufficient attention paid to the provision of sound research on medium to large companies.

In future, it will be interesting to see what sort of performance pension fund managers will achieve in a bear market as many of them have no experience of managing money in a falling market.

The concern over short-termism will wane when the post-Big Bang market-place finally settles down. But gone are the days when mediocre pension fund managers excused a sub-standard performance by pointing to the long-term nature of the fund's commitments.

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FOCUS

PENSION FUND
MANAGEMENT/6

Peter Nowell: "Good trustees"

Britain's pension fund managers have never had it so good. As the great bull market — the longest in the 300-year history of the Stock Exchange — continues to power ahead, the managers have been making record-breaking returns on the money they invest.

Last year was another spectacular year for pension funds which achieved returns of around 25 per cent — though many did even better.

The strategy was straightforward: hold little in property, fixed interest and index-linked assets and invest heavily in the equity markets at home and abroad.

Fueled by takeover bids enabling managers to cash in their investments at vastly increased values, it was no wonder it turned out to be a bumper year.

But the sparkling performance of recent years is turning out to be something of a mixed blessing for fund managers who are now expected to match their past record and even improve on it at a time when they are coming under increasing scrutiny from the trustees for whom they act.

Philip Cooke, the investment director of Noble Lowndes Investment Monitoring which supplies a valuable service in analysing the investment performance of more than 1,000 funds, says:

"There used to be a time, not so long ago, when consultants, asked by trustees how long they needed in order to assess their investment managers, would reply 'at least five or six years', rationalizing this response by explaining that the period should enable the manager's performance to be measured through, say, two economic cycles and a change of Government."

"These days, one frequently hears from some quarters of three or even two years."

As the bull market continues, Cliff Feltham reports on how fund managers are hitting the higher targets

Boom years proving a mixed blessing

Mr Cooke argues: "Short-term changes of managers should only be entertained where significant changes of philosophy, personnel or ownership take place within the investment house which are seen to trend towards adverse performance."

"However, the understandable reluctance to change should never prevent trustees and corporate officers from reviewing developments in the marketplace."

Peter Nowell, the investment director for Prudential Portfolio Managers, says that trustees are generally sensible in the way they look at the results of the funds' performance over a quarterly period.

"We try to encourage them not to look at the last three months but a rolling average over a longer period, say three years. This is because you can get quarterly distortions. You need to look for a consistent performance."

"In general, though, it is right to have as much up-to-date information as possible so I certainly do not think people should be discouraged from having quarterly figures. It is much the same as having monthly management accounts in a company."

The WM Company, originally part of the Wood Mackenzie stockbroking business and now owned by the Bankers Trust group, has been tracking the performance of pension funds since 1975 and is a firm believer in providing maximum information.

The company argues that it is not generating the information for its own purposes; it is the fund managers themselves who are asking for more and more detailed analysis.

It currently measures around 1,400 pension funds which represent about 66 per cent of the total UK pension fund assets, or around £120 billion. Although the information provides an intriguing snapshot of how funds had performed at a date in the recent past it also flashes early warning signals of how managers are beginning to react to investment trends.

The latest survey covers investment in property, an

area neglected by many managers in recent years as they succumbed to the attraction of high-performing equities.

The latest service illustrates once again a further fall in the popularity of property as a pension fund investment so that now it represents an all-time low of 8 per cent in the average fund.

But, ironically, this has occurred at a time when there

has been a significant improvement in property returns — admittedly still behind UK and overseas equities.

Michael Hall, the former investment chief at brokers Phillips and Drew who advised on the survey, believes that fund managers still prefer to stay where it is safe. "At the moment, equities can do no wrong and they are still nervous about property," he said.

According to WM, the funds whose performance it analyses — covering bonds, equities, and all other assets — were showing returns of just over 26 per cent at the halfway point of the year. The pace-setters in the fund managers' portfolios were once again UK equities, showing returns of 40 per cent, followed by overseas equities, with almost 18 per cent. The main feature of pension fund investment has been the increasing amount of money pumped into overseas markets, a trend which has accelerated since the scrapping of exchange control regulations in 1979.

Last year, for instance, fund managers who bought Japanese utilities, financial services and construction, did better than those who moved into banking shares.

In the United States, health, personal care and beverages were the top-performing sectors. On the Continent, markets were subdued in Germany, the Netherlands, and Switzerland, while the Mediterranean countries and Bel-



Mick Newmarch: "Bids deluge"

gium achieved high local returns. Inevitably, the issue that has dominated most fund managers has been "short-termism."

But does a fund manager take a quick profit by selling his stake in a company facing a takeover bid? Or does he ignore a quick return which would boost his fund's performance and remain supportive to the management in the hopes of solid growth in the future?

Some funds have a reputation for remaining long-term shareholders, with the implied warning that they expect the management to produce the goods or jeopardize any future loyalty.

But the decision is often a difficult one, as Mick Newmarch, chief executive of Prudential Portfolio Managers, has outlined.

He says: "We have many times over the years made public our stance; a pre-disposition to support incumbent managements in good standing wishing to remain independent qualified by the view that at some price a bid can be too attractive for us properly to reject it."

Mr Newmarch says that during the hyper-active takeover period of 1984-86 the Prudential received no less than 231 bids for its holdings in 212 companies. Of these, only 58 were contested bids fought to the end. And in only 17 of these was the bidding company successful.

He added: "We accepted bids against the advice of defending boards in only a few cases."

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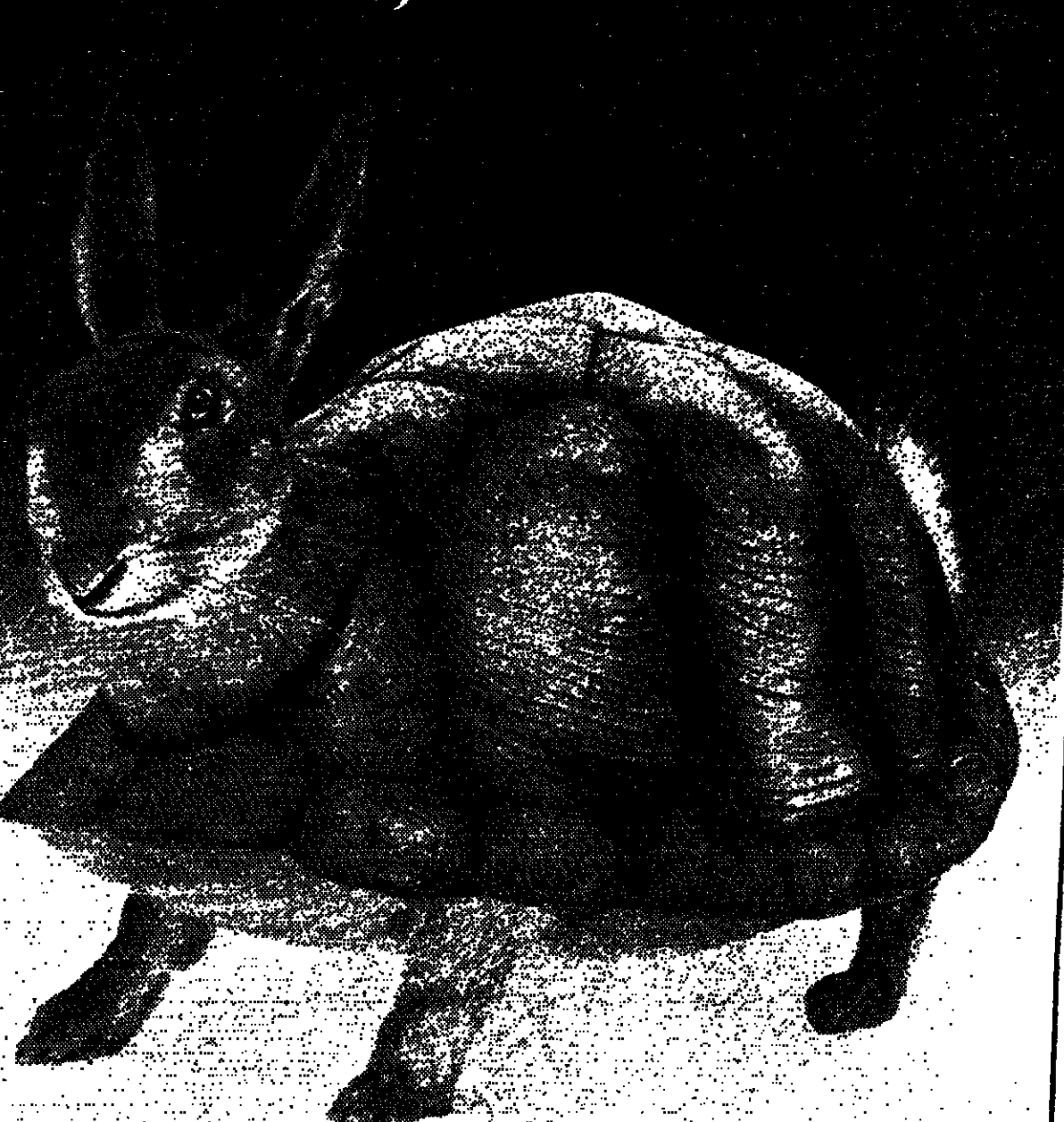
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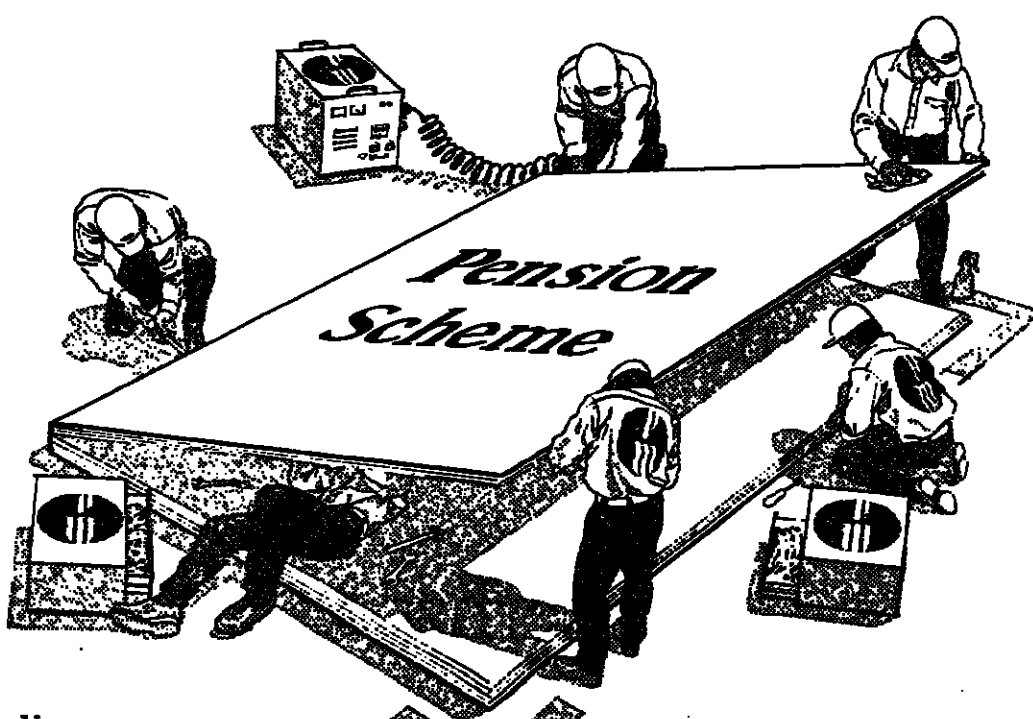
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PENSIONS FUND
MANAGEMENT/7

FOCUS

Lawyers take a front seat in pensions drive

The growth in new legislation affecting
pension funds has brought a boom for
the lawyers, reports Frances Gibb,
The Times Legal Affairs Correspondent



Government legislation and the consequent upheavals for the pensions industry are proving a minefield for lawyers. Pension law, once regarded as the regarded poor relation, is coming into its own.

The number of lawyers involved speaks for itself. In 1984 there were comparatively few practising pension lawyers. Now, most of the big London firms have set up their own pension and employee benefits departments and far from hiding in the wings these now play a key role in the deals handled by those firms.

Ian Pittaway, a pensions lawyer with the City firm Nicholson, Graham and Jones, says: "Growth has been driven by commercial factors."

"In the past, people were naive about pensions. In the context of takeovers and mergers, for example, pensions played a relatively minor part, he says.

"It was common for deals to happen without any consideration of the pensions implications. The fund managers were often told after everything had been signed to sort out the pensions position."

But then people realized that the financial implications of ignoring pension schemes could be serious. Suddenly finance directors began to appreciate that pensions were not something that could be farmed out to the pensions department; they had a significant bearing on profitability of business.

In a deal, says Mr Pittaway, it is not unusual for the transfer payment between the

two pension schemes to be larger than the amount actually paid for the company being purchased. In addition, the rate of contributions by a company to a pension scheme can have a critical effect on its profitability.

Even where there is no takeover in the offing, however, pension funds have an important role. They have built up large surpluses because of the high rate of investment returns in recent years and the finance directors have started to see the potential for using these funds as "money boxes". "Instead of continuing the contributions at the same rate, finance directors suddenly saw that these could be suspended, or reduced, says Mr Pittaway.

Many companies, for instance, took contribution holidays or reductions and in some cases part or all of the surplus was repaid to the company.

The heightened profile of pensions has brought them — and pensions lawyers — a new part to play in takeovers and mergers. The existence of large surpluses made many companies more attractive to potential bidders keen to use the surpluses to their advantage. Likewise, potential bidders could be put off by a fund with insufficient in it as too much of a liability.

One spin-off from all this for pensions lawyers has been their involvement in devising ways to frustrate potential bidders. This is done with a variety of "poison pills"

aimed at locking the surplus into the pension scheme, so making it less attractive.

One such device, Mr Pittaway explained, is the threat of closing the fund: a device "talked about more often than actually carried out." This might happen when a company interested in making a bid wants to merge its own, perhaps not well-funded, pension scheme with that of the new company and use the surplus of the latter to fund it: a technique called "swamping". A threat of closure in such a case could effectively thwart the takeover bid.

Another "poison pill", he says, is suddenly on a takeover to increase pensions benefits dramatically so that the surplus is wiped out. But there is a snag with tactics such as this. Directors could find themselves personally liable if the shareholders decide such actions were not in their best interests and take legal proceedings.

To date there has been scarcely any litigation. But litigation, not surprisingly, is trailing close behind the growth of pensions law.

Pensions lawyers are also being asked to formulate ways in which surpluses may be released once a company has been taken over and two significant cases have already come before the courts.

One in 1986 included the pensions schemes of Courage, where Hanson Trust wanted to utilize a surplus of £80

million, leaving the employers with a much smaller share. The trustees of the Courage scheme objected and went to law. The court decided the Hanson Trust could not proceed with its plans.

As more lawyers come into the field so, Mr Pittaway predicts, the litigation will multiply. And in turn, this will fuel demand for more lawyers. The Association of Pension Lawyers, of which he is a committee member, was formed in 1984 by the handful of principal practitioners at the time. Now it has some 250 members with new applications coming in all the time, recently from the big provincial centres outside London.

The growth in numbers has also been stimulated by the mass of legislation passed by the Government, chiefly the Social Security Acts of 1985 — which improved the lot of the early leaver, the employee going before retirement age (now almost everyone) — and of 1986 — which provided for people to opt for personal pensions.

Within the last couple of months alone, some 20 sets of regulations have been issued under this Act and pensions lawyers are needed to advise their clients, the pension fund managers, on what are highly complex changes. In particular, the managers are seeking to ensure their schemes are sufficiently attractive when personal pension schemes come in next July; and that they incorporate all the necessary technical changes.

"The total effect of all this is the biggest change to pension funds since 1975 and possibly ever," Mr Pittaway says.

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FOCUS

PENSION FUND MANAGEMENT/8

Getting the message across

If Shakespeare had his seven ages of man, those involved in pension fund management are conscious of two and now, perhaps, three.

The first is about 40, when people start to consider the financial implications of retirement; the second is for those who have retired and discover their income; and now, with the option to contract out of company schemes next year, people in their late twenties who will be considering which pension is best.

Despite the publicity, there is still not a great awareness among those who will be the beneficiaries of a good pension. "There can be few topics of such practical importance to such vast numbers of people about which so little is known," noted an opinion poll five years ago.

Michael Elton, director-general of the National Association of Pension Funds (NAPF) said that message is still pertinent today. "We will encounter the same problems. Pensions are about people and the essence of our job is communication."

It is a formidable task, as one example quoted by Mr

Greater efforts are made each year

Elton demonstrates. One in five of Britain's housewives does not even know whether their husband is in a pension scheme, and within that ratio, half of those who did not know had not even bothered to talk to their husbands about it. Yet they, too, will be the beneficiaries of a pension.

Each year, greater efforts are being made by companies, organizations and institutions to tell employees of the essential need to be within a pension scheme, and, moreover, to communicate to members of a scheme what is happening to their fund.

The NAPF runs a "Golden Pen Award" to encourage those who have pension schemes to improve communication with members.

An idea of what the judges are looking for can be found in the comments culled from

their observations over the years. The report of the pension fund should be clearly expressed and easy to find; visual impact is important; reports should show movements of the fund during the year and a five-year summary is useful.

Obvious, when one thinks about it, but last year the judges in one of the categories covering pension fund report and accounts for schemes with membership under 500 were so disappointed by the quality of the submissions that they declined to make an award.

Nevertheless, many companies that enter the competition clearly show great initiative in presenting the reports to fund members.

The BP Pension Scheme, an award-winner last year, for example, went to great efforts to personalize the scheme by showing photographs of trustees and providing professional comments by the heads of the pension and investment departments.

Pension fund managers are also making greater use of

How to contact missing members?

modern aids, such as videos, to show to members what is happening to their scheme and where their money can be invested.

For some fund managers, communication is easy because they work within a

company - there are only about eight industry-based schemes in the country - but Tony Ashmore and his staff have an more daunting task.

As chief executive of the Merchant Navy Officers' Pension Fund, many of his 60,000 members are spread across the globe. How to communicate with them? The answer is not only the circulation of reports, but the use of cassette tapes and videos.

More than that, Mr Ashmore, who is also chief executive of the Merchant Navy Ratings' Pension Fund, or one of the 112 staff under his control, can be sent to Barbados or Australia, or the seaboard of the United States,

to give personal presentations to the crew of a ship.

The NAPF has gone to extraordinary lengths to publicize the benefits of pensions by producing pamphlets and brochures that management can circulate, not only among personnel staff but to the employees.

Mr Elton has no doubt that the big changes in pension entitlement brought about by the Social Security Act 1986 will transform thinking.

He added: "These changes will stimulate widespread discussion of the whole vitally important subject of pensions in the office, on the factory floor, in newspapers and on television and radio."

Michael Hatfield

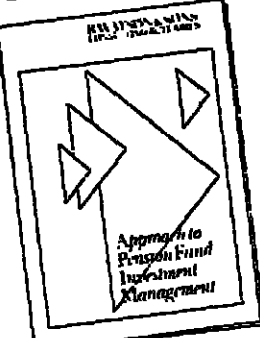
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It has lately become a focal point for state-of-the-art commercial property development. So much development has gone on that in 1986 many commentators feared the supply of space would soon outstrip demand.

As yet, 1986's dire warnings have proved unfounded. Since early this year all sectors of the commercial-property market have been buoyant. From Heathrow to Bristol, demand for quality space has reached unprecedented levels and there is little left that is considered suitable by the increasingly selective would-be occupiers.

At the corridor's eastern end, the Heathrow area is suffering from a critical shortage of quality business space, especially in larger units of 50,000 sq ft plus, says Stephen Lyall of the agents Hillier Parker.

There has been little in the way of new offices for more than a year and Heathrow's high-technology market has suffered from a glut of developments.

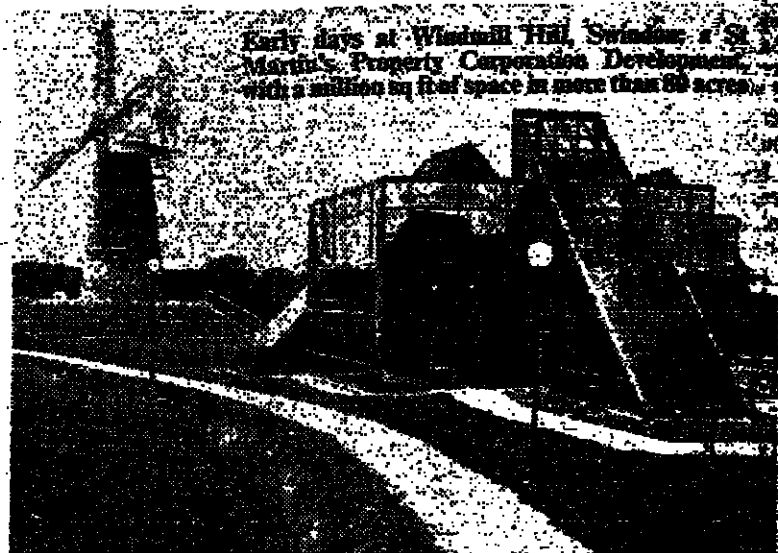
The area is dominated by Stockley Park, which is a good example of the quality of space needed in the area. About 500,000 sq ft of the 1.5 million sq ft first phase at Stockley Park has been let to top-class tenants, including Marks & Spencer, Fujitsu, Hasbro Bradley and Control Data.

In the Windsor, Maidenhead and Slough area, local agents Giddy & Giddy report strong demand and little supply in most business sectors. Similarly, in Bracknell supply is dropping; only two office buildings are under construction in the town - Speyhawk's 100,000 sq ft 72K and a 60,000 sq ft scheme from John Laing.

Linda Welch



Bristol fashion: easy M4 access at the end of the Western corridor made the city attractive to developers.



Early days at Windmill Hill, Swindon: a 25-acre site with a million sq ft of space in more than 60 acres.

Market's surge reaches out as far as Bristol

Traditionally demand has tailed off as one moves west, away from London. The current resurgence of the commercial property market is, however, being felt as far west as Swindon and Bristol. After two or three years in which the

commercial property market in Swindon was slack, demand is picking up.

Two important office lettings - Sheraton Securities' 33,000 sq ft Kingsbridge Point has been taken by Nationwide Anglia and 55,000 sq ft at the Westlea Campus of Wyndham Investments' has gone to Thorn High Street Services - have set the pace. A series of smaller deals have followed. The town's industrial market remains buoyant but there is not enough supply to satisfy demand. James Lockhart of Swindon agents Dreweatt

Nestle reports that nearly 500,000 sq ft of industrial space has been let this year. Three years ago Bristol's commercial property market hit rock bottom. In languished with nearly 3.5 million sq ft of office space empty or in the pipeline. Now virtually all the new office and industrial/warehouse space has gone.

Demand is high, particu-

larly from the financial services sector, a trend underlined by the recent announcement that Lloyds Bank is to build its own 200,000 sq ft building at Cannon's Marsh on land bought from the Hanson Trust.

Reading is the only M4 location which still has a reasonable supply of new office space to offer, including 84,000 sq ft in Phase 1 of London & Edinburgh Trust's Bridge Street Plaza; and 250,000 sq ft in the Prudential's Apex Plaza, due for completion next summer.

Demand for high tech in Reading has also picked up. On the industrial side, Chesterton Lalonde report a limited supply of space with just two main developments - Higgs & Hill/Beacontree Estates' 115,000 sq ft Manor Farm and Sheraton Securities' 57,500 sq ft Forum scheme at Theale - on the market.

The shortage of space has pushed commercial property

prices throughout the Western Corridor up dramatically.

Lane Fox, Knight Frank & Rutley and Richard Ellis will be looking for more than £20 a sq ft when London & Edinburgh Trust's 52,000 sq ft scheme at Hines Meadow, Maidenhead, is complete next February. Meanwhile high-tech rents in the Slough area range from £7.50 to £15 a sq ft and small industrial units can achieve more than £7 a sq ft.

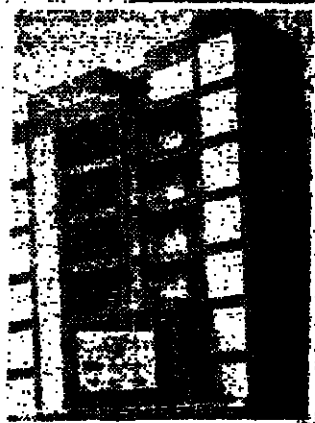
Chesterton Lalonde recently let Bass and Trencherwood's Signet House 2,400 sq ft office development in Newbury to Wates, the house-builders, at £12 a sq ft, a new high for the town. Lettings in MEPC's 82,000 sq ft Abbots House, phase II of the Abbey Gardens scheme, to Arthur Anderson and Peat Marwick McLintock are taking place at £16.50 a sq ft, another record.

Prime office rents in Bristol have risen from £8 a sq ft to £11 a sq ft in just eight months. City-centre office

sites, which a year ago would have changed hands at £400,000 an acre, are now achieving £1 million an acre. High-tech and industrial rents in the city have also shot up.

Of course, the new higher rents throughout the Western Corridor have attracted the interest of the funds.

In many locations, particularly the town centres, few schemes are actually under way. Many developers have been caught out by the rapid about-face in the market.



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The industrial market continues to be plagued by the lack of land available at prices that make warehouse or factory development viable. Many landowners in the Western Corridor hope to achieve the high prices paid for good high-tech or office campus sites, even if their land does not come up to scratch. But, the future success of the corridor may lie not in the towns that line the M4 but in a plethora of green-field business parks planned for

Business parks the future?

their outskirts. The trend is particularly evident in the Reading-Bracknell area, where an array of schemes include: a million sq ft of office/industrial/high-tech space to be developed by the Prudential at Junction 11 of the M4; Arlington Properties' 47-acre business park at Junction 12; Speyhawk's proposals for the 70-acre

North Early Business Park; and Bride Hall/Postel's Park One, Bracknell.

There are also at least two large schemes planned for the Heathrow area and Claydon's 25-acre plans for the Whitealtham airfield in Maidenhead. Further west, is the Newbury Business Park and outside Bristol,

Pearce Developments' Parkway scheme comprises 100,000 sq ft in the first phase; Sheraton Securities is to develop the 804,000 sq ft Bristol Business Park.

In Swindon, which has been encouraging campus office and high-tech development for several years, the town-centre office market took a nose-dive just as out-of-town development got into its stride and is only just recovering.

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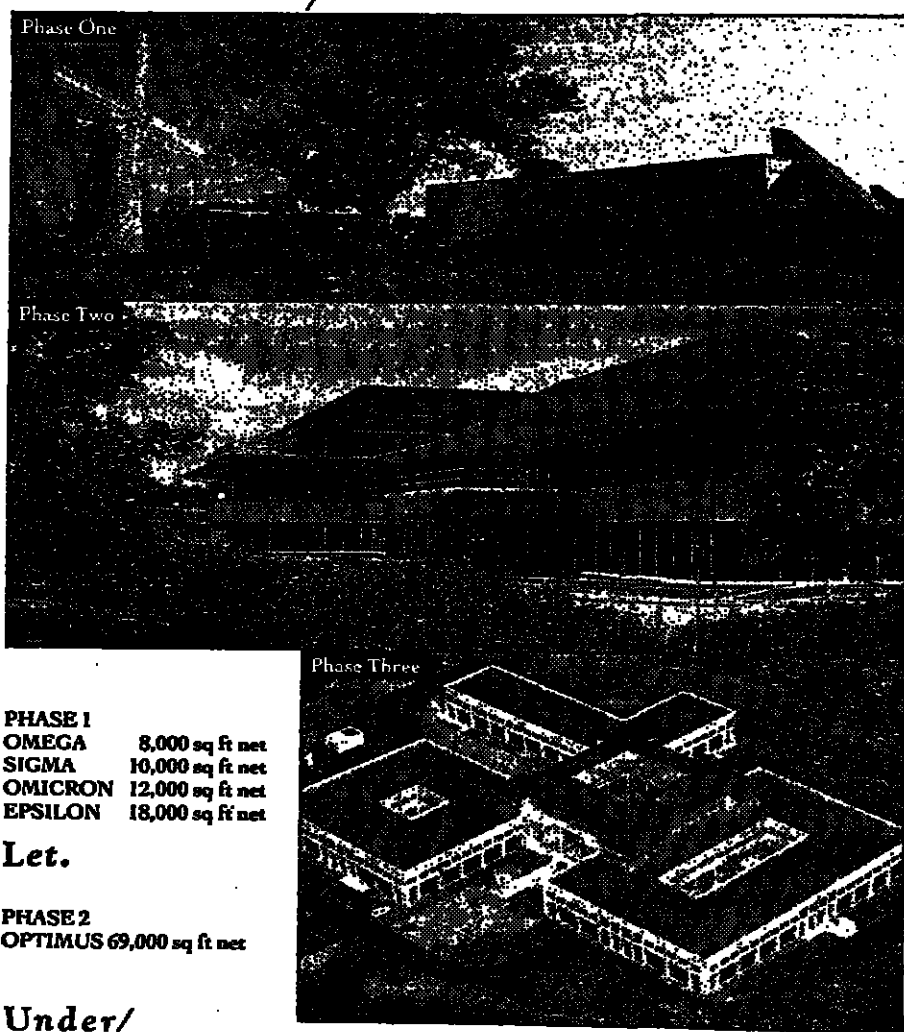
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England ready for the dawn raid

From John Woodcock, Cricket Correspondent, Lahore

The World Cup got away to a hot and heady start yesterday when Pakistan, one of our two hosts, were run uncomformably close by Sri Lanka at Hyderabad in temperatures hovering around the century mark. While that was happening, England had an afternoon practice here in Lahore, a less dilatory affair than the West Indians, their opponents at Gujranwala today, had subjected themselves to in the morning.

There still being some doubt about DeFreitas's fitness to bowl, owing to a sore shoulder, England chose to delay announcing their side for today. DeFreitas bowled only three balls in the nets yesterday, at 10-minute intervals, and on his form against West Indies in Australia last winter that is bad news. In four one-day matches then he



had the extraordinary, collective figures of eight for 67 in 34.5 overs.

England were early to bed last night in preparation for a dawn departure for Gujranwala this morning and a nine o'clock start to their match. That will be 5 a.m. in England.

Mickey Stewart, the team manager, was on the Gujranwala ground yesterday in time to establish that a ball rolled across the outfield at nine in the morning was barely dampened by the dew. His reconnaissance was a welcome sign of English thoroughness.

The organizers of the competition are also leaving as little as possible to chance. The Niaz stadium at Hyderabad looks to have been greatly improved since England were there last, 10 years ago, and despite a desperate shortage of rain in those parts, enough water had been spared to produce for yesterday's match an oasis in a virtual desert.

Watching the start of play there on the television, England can hardly have failed to heed the crucial importance of instantly disciplined bowling. But for conceding 18 extras in Pakistan's first 42 runs, mostly through wides and no-balls, Sri Lanka would probably have won. When the two sides last met, in the final of the Asian Cup earlier this year, they did so.

The umpires at Gujranwala today will be the Australian, Tony Crafter, and R. B. Gupta, from India. The adjudicator, provisionally anyway, is the former Pakistan wicketkeeper, Wasim Bari, whose brief will be to "use his initiative when nec-

essary to uphold and enforce the conditions of the championship" and his "discretion" in allowing "minor amendments to them". As a personable scallywag in his day, not much is likely to escape Wasim's attention.

Of the Englishmen involved elsewhere, Dickie Bird's first assignment is in Madras today, standing in the match between India and Australia, and David Shepherd is also in Madras, umpiring Australia against Zimbabwe next Tuesday. Donald Bryce Carr, better known at home as D. B. Carr, formerly secretary of the TCCB, moves into action for the first time as the adjudicator when India meet New Zealand in Bangalore on Wednesday.

Fred Bennett, from Australia, Shafiq Rana and Hanif Mohammad, of Pakistan, and C. T. Sarwatte and P. R. Umrigar, from India, are among the other adjudicators. Should they consider a result to have been contrived, to allow one side to help another's advance in the competition, they can have points deducted.

Although a spare day has been set aside for each of the 24 group matches, these will be used only if there has been no play on the first day. If, for example, it were possible to bowl only one ball at Gujranwala today, each side would take two points from an abandoned match and tomorrow would not be used. This seems a pity.

But on the whole the signs, at least in Pakistan, are favourable enough. I have yet to see a cloud in the sky and the baked beans the England players had for lunch during their match on Wednesday seemed necessary only as a reassurance.

Of the 112 players registered for the competition, 73 have no previous World Cup experience. Forty-one played when it was held last (in England in 1983) and five (Imran and Javed, of Pakistan, Duleep Mendis, of Sri Lanka, Richards, of West Indies, and Gavaskar, of India) have played in all the three earlier tournaments.

Of the 1983 teams, Zimbabwe have nine players left, Sri Lanka eight and India, the champions, six (Kapil Dev, Gavaskar, Shastri, Vengsarkar, Srikkanth and Binny). England's only survivors from four years ago are Gattings and Lamb while Australia have only one, their captain, Allan Border.

● **MADRAS:** India's legions of armchair cricket watchers missed out on the opening World Cup game yesterday, following a late breakdown in arrangements between the two television companies covering the competition. The Indian channels, Doordarshan, announced on Wednesday that they would be screening every delivery of the Pakistan v Sri Lanka match from Hyderabad but yesterday the game was dropped from their schedule without explanation.

WORLD CUP ON TELEVISION

TODAY (Gujranwala: England v West Indies: 8.40-9.55 a.m. (report); 12.05-12.55 p.m. (live); BBC2: 6.30-7.30 p.m. (highlights)).

Oct 12 (Rawalpindi: Pakistan v Sri Lanka: 8.40-9.55 a.m. (report); 12.05-12.55 p.m. (live); BBC2: 6.30-7.30 p.m. (highlights)).

Oct 17 (Peshawar: England v Sri Lanka: 8.40-9.55 a.m. (report); 12.05-12.55 p.m. (live); BBC2: 6.30-7.30 p.m. (highlights)).

Oct 20 (Karachi: England v Pakistan: 8.40-9.55 a.m. (report); 12.05-12.55 p.m. (live); BBC2: 6.30-7.30 p.m. (highlights)).

Oct 26 (Lahore: England v West Indies: 8.40-9.55 a.m. (report); 12.05-12.55 p.m. (live); BBC2: 6.30-7.30 p.m. (highlights)).

Oct 30 (Pune: England v Sri Lanka: 8.40-9.55 a.m. (report); 12.05-12.55 p.m. (live); BBC2: 6.30-7.30 p.m. (highlights)).

Nov 4 (Lahore: First semi-final: BBC1: 8.40-9.55 a.m. (report); 12.05-12.55 p.m. (live); BBC2: 6.30-7.30 p.m. (highlights)).

Nov 5 (Bangalore: Second semi-final: BBC1: 8.40-9.55 a.m. (report); 12.05-12.55 p.m. (live); BBC2: 6.30-7.30 p.m. (highlights)).

Nov 6 (Calcutta: Final: BBC2: 6.30-7.30 p.m. (highlights)).



Unselfish skipper: Imran Khan heaves unsuccessfully to be bowled by Ramesh Ratnayake as Pakistan chase runs in the World Cup yesterday

Australia might spring surprise

From Alan Lee, Madras

Australia, by popular consent, are taking part in this World Cup purely to make up the numbers; the bookmakers and the pundits are in accord on the matter. They may all be making a big mistake.

The underdog status, something Australian teams of the past have seldom experienced, was painfully earned last winter, when Allan Border's men lost out to England in every conceivable contest. Such was the mood that, if they had dared to take on England at surfing, they would probably have lost that, too.

It was, beyond dispute, a mortifying time for the Australians, who enjoy losing about as much as they enjoy warm English beer, yet to ignore them now is to believe that no lessons have been learned from it — a dangerous assumption.

Kapil Dev, whose Indian side launched their defence against Australia here in Madras today, seemed to be straining to avoid falling into the trap. He said of his opponents: "They have not yet come to grips with losing players such as Chappell, Marsh and Lillee. They don't have the strength of a few years ago and the youngsters still need time." But he added thoughtfully: "Australians are known to be fighters."

They are also known to be at their most dangerous when scorned and one can vividly imagine the lethal reaction back in Sydney, Brisbane and Points West in this young, relatively inexperienced and utterly unconsidered team was to bring home the Cup. In my

view, it is not impossible by a long way.

The team named for their opening match was as expected. There is solidity at the top end, with Marsh and Boon, but the flair and the runs must largely come from the three quality players to follow, Jones, Border and Waugh. The bowling is seam-orientated, with Taylor the only spinner. But if McDermott has really recaptured his rhythm, he will form a threatening new-ball partnership with Reid.

Border has played more one-day internationals than anyone in the world yet even

with his 151 games Australia's aggregate appearances are more than 200 fewer than the likely Indian XI. The nucleus of this Australian team was in India only 12 months ago and such recent experience of its peculiar problems will be priceless.

Alan Crompton, the team manager, said: "We have buried a few myths which were in the minds of the players. They have realized that touring here is nothing to be afraid of. We have no hang-ups about India now and although we have had a tiny bit of rummy trouble, no one is worried."

Real men, plainly, do not eat microwaved baked beans, even in India, and the Australians' confident front will do them no harm in the weeks ahead.

Willis out after new clash

By Ivo Tennant

Bob Willis, the former England captain, resigned from Warwickshire's general committee yesterday, saying that he was considering joining the requisitionists who have forced the club to debate a motion of no confidence in the committee. It is the latest in a spate of resignations at Edgbaston.

"In view of the impending special meeting, I had to state which side of the fence I am on and it is certainly not the side of the secretary and committee," Willis said. He has made no secret of his disagreements with David Heath, the secretary and former chairman of the cricket committee.

"I feel that the style of Mr Heath and the committee members who appointed him is too autocratic," Willis said. "The club should be run more democratically and the views of the members taken into consideration."

The saga has been compounded by the club's decision to hold the special meeting on November 11, when most of the playing staff, along with 80 members, will be on a tour of Barbados. Willis said the choice of date was an example of the autocratic way the club was being run, to which Heath retorted: "We have to give our members sufficient notice."

Meanwhile, another former England captain, M. J. K. Smith, has replaced Tony Stevens as the Warwickshire chairman.

A report by an independent working party set up after Somerset's general meeting last year has recommended that communications with club members be improved.

Miandad leads victory charge

Hyderabad (Reuters) — Javed Miandad scored his fifth century in his 121st one-day international to join Viv Richards and Desmond Haynes over the 4,000-run mark as Pakistan opened the fourth World Cup yesterday with a victory over Sri Lanka.

Miandad's 103 lifted Pakistan to 267 for six as Miandad joined the West Indian pair past the milestone in international limited overs matches and insured one of the Cup favourites were off to a winning start, by 15 runs.

Miandad put on 113 with Ramiz Raja (76) for the third wicket — punishing the Sri Lankan bowling at will once he got into his stride before he was bowled trying to turn Ravi Ratnayake to leg.

His 103 came off 96 balls and included six fours to take the man of the match award. When he reached his hundred, one exuberant fan climbed a four-metre barbed wire fence and rushed to the wicket to offer congratulations before being taken away by policemen armed with rifles and bayonets.

A sell-out crowd of 15,000 were frisked on entry and there were no other disturbances as Mohammad Khan Junjo, the Prime Minister, opened a stand at the Niaz stadium at the start of the game and watched half the Pakistani innings, seated next to Imran Khan, the captain.

Sri Lanka were soon in trouble when Khan sent back Brendon Kuruppu to complete 100 wickets in one-day internationals and Roy Dias failed to spot Abdul Qadir's gooly.

PAKISTAN

Ramiz Raja b Ratnayake to Anuruddi	75
Javed Miandad b Ratnayake	103
Mansoor Akhtar b Ratnayake	15
Srinath b Ratnayake	12
Wahab Akbar run out	18
Srinath not out	18
Imran Khan b Ratnayake	2
Saleem Younis not out	2
Extras (lb 15, nb 1, w 9)	25
Total (6 wickets)	267
Miandad	103
Raja	76
Extras	25
FALL OF WICKETS: 1-48, 2-67, 3-180, 4-228, 5-259, 6-267.	
BOWLING: John 10-2-37-6; Ratnayake 10-0-4-2; Ratnayake 10-0-4-2; de Silva 10-0-4-4-0; Anuruddi 10-0-5-1; Gurusinha 1-0-0-0.	

SRI LANKA

Y D S P Kuruppu c Younis b Imran	9
R S Mahipala c Miandad b Mansoor Akhtar	49
R L Dias b Qadir	6
A Samarasinghe b Qadir	5
"R D Mendis run out	1
A de Silva b Imran	37
J R Ratnayake c Younis b Akram	7
J R Ratnayake c Miandad b Akram	7
V S John not out	0
S D Anuruddi run out	0
Extras (lb 7, nb 14, w 1, w 7)	29
Total (49.2 overs)	228
FALL OF WICKETS: 1-29, 2-57, 3-100, 4-103, 5-182, 6-190, 7-209, 8-228, 9-251.	
BOWLING: Imran 10-2-42-6; Akram 12-1-1-2; Miandad 10-0-4-2; Qadir 10-1-3-2; Younis 10-0-4-0-1; Mansoor Akhtar 7-0-1.	
Umpires: S Woodward (NZ) and V K Parasuramy (India).	

Roshan Mahanama then attempted to repair the damage and scored an intelligent 89, including the first six of the tournament and seven fours. He enjoyed a 79-run partnership with Asanka Gurusinha, but the Sri Lankans were always behind the asking rate as only Aravinda De Silva put any sting in their tail.

Qadir was another outstanding performer, the little Pakistani wrist spinner beating the batsmen time and again while conceding only 30 runs in his 10 overs and also ending Mahanama's battle to rescue the visitors.

END COLUMN

The rich pickings of prize stock

By Michael Seely
Racing Correspondent

Watching the antics of most of the world's wealthy assembled at the Cartier Million Yearling Sales at Kill in Ireland during the past three days, the parable about the camel and the eye of the needle, and the rich man and the gates of heaven, kept springing irresistibly to mind.

For the past three evenings, Jonathan Irwin, the chairman of Goffs, together with his auctioneers and spotters, has been acting as conductor to a singularity well heeled orchestra of international clients from the brightly lit rostrum to the amphitheatre of the sale ring.

Hypnotised by the tribal chants and the rat-tat-deliveries of the dark suited high priests of their favourite cult, as much as by the sleek and muscular equine athletes parading round the ring, such colourful and influential acolytes as the Maknoon Brothers of Dubai, Vincent O'Brien and Prince Khalid Abdulla of Saudi Arabia have fallen under their spell to the tune of 13,887,500 Irish guineas for the 167 lots sold during the first two days.

Make no mistake, the fertile and ingenious brain of Irwin has conceived a jackpot winning idea. From having originally described himself as feeling like Hamlet in his isolation beforehand, the showman has miraculously appeared to free his audience from the constraining shackles of normal economic reality for a while. However it is the bloodstock market itself, not the Cartier Million which is the glittering illusion.

The crack of gold at the end of this particular rainbow is a two-year-old race, sponsored by Cartier, to be run at Phoenix Park in October next



year. Any of the 250 yearlings sold this week will be eligible to take part, although on the day itself only 20 starters will be permitted for safety reasons. The winner will receive £500,000 (Irish) and even the 10th will receive £10,000.

Even Irwin was surprised by the success of this imaginative gimmick as the bids came flowing in from the darkened arena. "I've never seen so many people bidding at once," he said, "It's fantastic. All the usually high rollers are here and new punters as well. And it's having a knock-on effect on the rest of the Select Sale."

And indeed O'Brien, Robert Sangster, Sheikh Mohammed, Mr Abdulla, Alan Paulson, the multi-millionaire aircraft manufacturer from Florida and Arthur Williams, the New Zealand based industrialist were but a few of the already committed faithful attempting to fling their cosmopolitan hats into the ring.

But despite the novel and imaginative appeal of the Cartier Million, the Epsom Derby still remains the Holy Grail for would-be purchasers of yearlings, not only for reasons of prestige but also for the all important business of stallion promotion. And it is a hard and unpalatable fact that, of the past 10 winners of the Derby, the blue ribbon of the turf, only three, Henbit, Golden Fleece and Secret, were purchased at public auction. The remaining seven belong to long established owner-breeder families like the Aga Khan, Lord Howard de Walden and Louis Freedman.

In Kentucky at this year's Keeneland July Sale alone, the Maknoon family lavished around \$35 million (about £21,800) on their prospective classic ammunition. At Newmarket last week they bought at least 68 yearlings and over a seven year period have spent millions of pounds on acquiring studs in the United States, Britain and Ireland.

They have invested in yearlings and select brood mares as no one has ever done before yet the harsh fact remains, the Epsom Derby, the King George VI and Queen Elizabeth Diamond Stakes and the Prix de l'Arc de Triomphe still elude them as they attempt to corner the market in top class stock.

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Merseyside tie may be beamed to Everton

By Ian Ross

Liverpool are exploring the possibility of beaming live their Littlewoods Cup third round tie to the Goodison Park home of their opponents, Everton.

With an unprecedented demand for tickets likely, both clubs launched immediate feasibility studies within hours of yesterday's draw being made. If the plan to install a closed-circuit television system is found to be cost-effective, as many as 85,000 people could watch the game at two grounds, which stand a little over a mile apart.

Although a decision as to which night the tie will be staged has yet to be made, the likely date is Wednesday October 23, just four days before the two sides meet at Anfield for a League game that is to be televised live.

Peter Robinson, the chief executive of Liverpool, said: "Because of the massive interest, we are looking closely at the idea of beaming the match live to either Goodison Park or into several local cinemas. We have already been in touch with Everton and will be working closely with them."

"Games between the two clubs are always big occasions and I am sure that this one will be no exception. The capacity at Anfield is now 45,000, but I

suspect we could sell double that number of tickets. We are already selling out most of our home games so you can just imagine what the demand for tickets is going to be like."

"Under the present agreement, this game cannot be broadcast live on television, which would mean that thousands and thousands of supporters of both clubs would miss out. We remain hopeful that we will be able to meet the demand by arranging a live link-up," he added.

A similar plan was hatched but eventually dropped last season when the two clubs met at Goodison Park, at the quarter-final stage of the same competition. Liverpool won that game by the solitary goal in front of a crowd in excess of 53,000. It would not be the first time an all-Merseyside derby match had been covered by closed-circuit television.

In March 1967 an FA Cup fifth round tie at Goodison Park was shown live to an estimated audience of 100,000.

Jim Greenwood, the Everton secretary, said: "This would not be a money-spinner, because setting up this sort of thing is expensive. Both clubs are simply anxious to ensure that all supporters who wish to see the game live can do so."

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Major drugs ring broken

Los Angeles — One of the largest anabolic steroid drugs rings in the United States, which provided illegal drugs to customers ranging from teenagers to weightlifters and professional American football players, has been broken, based on an indictment handed down on Wednesday by a US attorney in San Francisco (Ivor Davis writes).

The 32-count indictment, which charges a sports doctor and four other Californians with running the sales ring, does not identify the users, but Joseph P. Russo, Jr., the attorney, said that there were several football players whose identities will be revealed at a later date.

He said the most crucial aspect of the case was that the steroids were peddled to high school sportsmen in a widespread distribution business that went to thousands of gymnasiums.

The indictment named Steven A. Coons, aged 28, of Santa Clara, as the leader of the ring, and charged that he and his wife, Caroline, aged 23, deposited \$1.6 million (£976,000) into bank accounts between 1984 and 1986 from the sale of drugs.

There is a case pending in San Diego, where David Jenkins, the former British Olympic athlete, has been charged with being the mastermind of another illegal steroids ring. Since the probes began, seven people have been sent to prison and fines in excess of \$1 million imposed.

On the move

Malcolm Elliott, of Sheffield, who led the round-Britain Milk Race from start to finish and won three stages of the Nissan International Classic in Ireland last week, travelled to France yesterday and is expected to sign for the Fagor team, joining Stephen Roche, of Ireland, and Robert Millar, of Scotland.

Botham duty

Sydney (Reuters) — Ian Botham will play in all of Queensland's Sheffield Shield matches this season and will tour with the State side in New Zealand during December.

The New South Wales squad includes John Dyson, Steve Smith and Steve Rixon, who have completed a two-year ban from domestic cricket for touring South Africa.

Lendl triumph

Atlanta, Georgia (AFP) — John McEnroe, in his first tournament since becoming a father for the second time and being banned from official tournaments for his behaviour at the US Open, lost to Ivan Lendl 5-7, 6-4, 7-6 in an exhibition event here on Wednesday.

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